LEGATION OF THE 51714
UNITED STATES OF AMERICA

No. 413. Belgrade, October 23, 1935.

Subject: Meeting of Economic Council of Little Entente.

OFFICE OF ECONOMIC ADVISER
NOV 19 1935
DEPARTMENT OF STATE

DIVISION OF EUROPEAN AFFAIRS
NOV 15 1935
DEPARTMENT OF STATE

RECEIVED
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DIVISION OF COMMUNICATIONS AND RECORDS

FOR DISTRIBUTION
To
In
Yes No
Dpty to Commerce
NOV 11 1935

FILE
NOV 9 - 1935
DEPARTMENT OF STATE

FILED
NOV 21 1935

770.00/415

The Honorable

The Secretary of State,

Washington.

Note 870.50-Belgrade

Sir:

I have the honor to transmit herewith, as published by the Belgrade new agency, AVALA, a translation of the communiqué issued by the Economic Council of the Little Entente on the conclusion of its work on October 19th. The Council had been in session in Belgrade since October 14th, under the Presidency of Dr. Stoyadinovitch, Yugoslav Prime Minister and Minister for Foreign Affairs.

As

As the Department is aware, the Council's principal purpose is to enlarge the volume of trade between the countries of the Little Entente, and to this end it meets periodically. The next meeting will be held at Prague on February 24, 1936. I am informed by the Czechoslovak Legation that the volume of trade between the three countries is increasing as a result of the Council's efforts.

870.50 note Prague

No further comment on the meeting appeared in the Press.

Respectfully yours,

Charles S. Wilson.

Charles S. Wilson.

Enclosure:

Translation of communiqué.

File No. 710.

WA:HSB

Enclosure to Despatch No. 413 of October 23, 1935, from the Legation in Belgrade.

Translation from AVALA - October 20, 1935.

COMMUNIQUE.

The Economic Council of the Little Entente which met in Belgrade on October 14th in its Sixth Session, under the Presidency of Mr. M. Stoyadinovitch, President of the Council of Ministers and Minister for Foreign Affairs of the Kingdom of Yugoslavia, and President of the Permanent Council of the Little Entente, has terminated the work set forth on its agenda.

During the session, the Council, which had distributed the subjects to be studied by several commissions, examined all the problems which appeared on the agenda. In addition, the first commission examined the question of strengthening commercial relations between the three countries, as commercial intercourse, under present circumstances, is of great importance, and has attracted the special attention of the Council.

The second commission, which had the task of studying problems pertaining to communications, has examined all possibilities of improving ralroad, river and aerial communications between the three States of the Little Entente.

The third commission on its part studied the practical realization of an arrangement relative to the creation of a Postal Union.

Finally, the fourth commission had the task of examining the question of tourist traffic between the three countries and the question of an intimate collaboration between the emission banks and the postal savings banks.

This commission also examined the problem of industrial cooperation, and specially - the question of normalization.

In order to facilitate as far as possible economic cooperation between the three States, this commission has also studied the problem of unification of legislation affecting drafts and checks.

Finally, this commission took into consideration collaboration in the social field.

Quite a distinct progress has been realized as well in other fields of economic collaboration.

The positive results of the conference are the following:

1. Uniform regulation of railway traffic of

passengers

passengers and their luggage;

2. Elaboration of a project for collaboration between steamship companies on the Danube;

3. Signature of a protocol relative to collaboration between posts, telegraphs and telephones;

4. Signature of a convention relative to the suppression of double taxation in inheritance cases;

5. Agreement relative to unification of legislation concerning drafts;

6. Signature of a protocol regarding industrial normalization in the States of the Little Entente;

7. The Industrial Committee came to agreement on questions relative to future activities in the field of industrial collaboration;

8. Elaboration of a project concerning the organization of an economic exhibition of the Little Entente and Balkan Entente countries;

on the last day of the conference the Economic Council of the Little Entente approved the results accomplished by the commissions and decided that the next session should be held in Prague on February 24, 1936.

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WAR DEPARTMENT

DEPARTMENT OF STATE RECEIVED NOV 27 1935 DIVISION OF COMMUNICATIONS AND RECORDS
DEPARTMENT OF STATE OCT 22 1935 DIVISION OF NEAR EASTERN AFFAIRS

G-2 Report 3850

YUGOSLAVIA (POLITICAL)

Subject: Foreign relations; Conference of The Little Entente.

1. The conference at Bled.

2. The attitude of The Little Entente toward the return of the king to Greece.

770.00/4416

1. The conference of The Little Entente was held at Bled (Veldes) a Julian Alps resort of Slovenia, August 29-30, 1935. The conference was presided over by Titulescu, minister of Foreign Affairs of Rumania. He with the Ministers of Foreign Affairs, Benes of Czechoslovakia and Stoyadinovitch also Prime Minister of Yugoslavia, discussed the international situation in its particular concern to the Little Entente.

The three were in complete accord on the policy of presenting a united front against the present menaces to the peace of Central Europe in the political, economic and military fields.

It was agreed that the Little Entente should so dispose its forces as to defend best its common interests.

It asserted its fidelity to the League of Nations--[redacted] foster mother, and it urged the conclusion of the Oriental and Danubian pacts in view of their territorial integrity features, as pacts conducive to the peace of Central Europe and also as ones furthering their common interests.

It reiterated its objection to the rearming of Austria and Hungary without additional security guarantees.

It reasserted its opposition to the restoration of a Hapsburg to either of the thrones of Austria or Hungary and it expressed its firm opposition to the "Anschluss".

Intimation was made that Hungary could further the conclusion of the Danubian pact if she would forego her revisionist claims. It was then brought out that the pact, in that event, might lose some of its value as the contiguous states could then collaborate directly with Hungary in Danubian questions.

Comment:

The conferences of the Little and Balkan Ententes during the past year have been presided over by Titulescu whose guide is Quay d'Orsay. He has, however, directed the conferences with marked ability and he has turned them into the "proper" channels. France's aims, France's policies were his. As the close of this conference marks the conclusion of his guidance as president of the Entente conferences, it is doubted if his successor, Stoyadinovitch, will follow closely the footsteps of Titulescu, since both Yugoslavia and Rumania have shown an inclination to "edge" away from France and her one idea policies, for the broader and more advantageous economic fields toward Germany.

From: M/A Belgrade Rept.No.3905 p(1) Sept.18, 35.

DOCUMENT FILE

NOTE

SEE 123 Sk 3/565 Confidential file FOR Despatch #869

FROM Turkey (Skinner) DATED Dec. 31, 1935

TO NAME 1—1127

REGARDING:

Turkey to give encouragement to Balkan Union; President expresses hope that relations between Turkey and the Balkans will be more satisfactory in near future than they are at present.

M

770.00/417

770.00

770.00

DOCUMENT FILE

NOTE

SEE 740.0011 Mutual Guarantee (Balkan)/125 **FOR** #438

FROM Yugoslavia (Wilson) **DATED** Jan. 2, 1936

TO NAME 1—1127

REGARDING: The article in the VREME dwells on the Little Entente, emphasizing the vitality of its constantly consistent attitude toward the most difficult problems.

mb

770.00/418

LEGATION OF THE
UNITED STATES OF AMERICA

No. 44. Bucharest, January 18, 1936.

Subject: Political Rapprochement between Austria and the Little Entente Rumored and Officially Denied.

DEPARTMENT OF STATE
FEB 12 1936
ASSISTANT SECRETARY'S
OF STATE
DIVISION OF COMMUNICATIONS AND RECORDS

DIVISION OF WESTERN EUROPEAN AFFAIRS
FEB 12 1936
DEPARTMENT OF STATE

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To the Field
In U. S. A.

770.00/419

DEPARTMENT OF STATE
FEB 10 1936
DIVISION OF
NEAR EASTERN AFFAIRS

770.00
Note
763.70

The Honorable

The Secretary of State,

Washington.

Sir:

760H.71

That the previously unannounced visit paid last Sunday by King Carol to Prince Regent Paul of Yugoslavia should have given rise to speculation among foreign correspondents here was but natural, coming as it did on the eve of the much press-heralded visit to Prague of Austrian Prime Minister Schuschnigg. His Majesty had been shooting in Transylvania. On Friday, January 10, the Czechoslovakian Minister had been his guest.

As a matter of fact, the King was absent from the country only some 15 hours. He was accompanied only

by

FILED
FEB 20 1936

by the Crown Prince--who from Belgrade proceeded to Switzerland to spend a fortnight with his mother--and by gentlemen of the Royal Household. Official statements announced that the visit was impromptu, that His Majesty had simply seized the opportunity to have a day's shooting with Prince Paul, and, in answer to local press speculation, that it was of a strictly family character to which no political significance should be ascribed.

Local rumor and speculation, however, were not thus to be quieted. Austria, it was alleged, had finally decided to break with Italy, feeling that the latter could no longer be counted on as effective protection against Anschluss; rapprochement with the Little Entente was to substitute therefor; Premier Schuschnigg was to make a notable public address on economic cooperation, but in private conversations political realignments were to be proposed; Czechoslovakia had been chosen as the most sympathetically disposed member of the Little Entente because least opposed to Hapsburg restoration and most apprehensive of Anschluss.

863.01
760F.63

While not disposed, at least on the basis of present information, to accept such rumor at its face value, especially in its political as opposed to its economic implications, I have thought it of sufficient interest to merit report to the Department. I have taken occasion also to mention the matter in conversation with the Undersecretary for Foreign Affairs, Mr. Savel Radulescu. A memorandum of his reply follows:

Mr.

Mr. Radulescu stated that the visit of Mr. Schuschnigg was merely one of "bon voisinage", a friendly visit to a neighbor, which had no ulterior political significance or indicated any modification of the attitude of the Little Entente towards Austria. Mr. Radulescu intimated that the present occupation of Italy with matters outside of Europe made it natural that Austria should seek to be on the friendliest terms possible with her neighbors, and if Mr. Schuschnigg could improve Czecho-Austrian economic relations, so much the better.

As to the King's visit to Yugoslavia, Mr. Radulescu insisted that it had no political significance whatsoever; that it was merely an unpremediated visit of a few hours that was made possible through the proximity of the King's shoot. He compared the speculation concerning it with the stories which had been circulated with regard to the recent visit of the King of the Belgians to England. In this connection, Mr. Radulescu assured me again that Rumania was as much opposed to Anschluss as she was to the return of the Hapsburgs. Furthermore, it was idle, he said, to suppose that the return of the Hapsburgs would prevent Anschluss; it could do no more than put off the day of Anschluss.

On the last point, when discussing the same question with Mr. F. E. Stevens, Reuter's Agent for Rumania, Mr. Radulescu insisted that there had been no change whatsoever in the attitude of the Little Entente, as proclaimed last August at the conclusion of the Bled Conference (despatch No. 11 of September 6, 1935). Mr. Stevens quotes him as asking: "If you were a condemned prisoner and were offered the choice as to whether you would die by hanging or the guillotine, which yould you choose?", a remark closely reminiscent of that made by the Undersecretary to me last September and reported in the ultimate paragraph of my despatch mentioned above.

770.00/414

Respectfully yours,

Leland Harrison.

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LH/GW/EMS.

Copies to Vienna, Prague, Belgrade, Geneva.

DOCUMENT FILE

NOTE

SEE 760f.63/67 FOR #670

FROM Austria (Messersmith) DATED Jan. 23, 1936

TO NAME 1—1127

REGARDING: Chancellor Schuschnigg, during his speech of Jan. 16, at Prague, underlined that closer economic cooperation between the Danubian Stated was indispensable.

mb

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770.00

DOCUMENT FILE

NOTE

770.00/421

SEE 860f.00/409 FOR despatch #381

FROM Czechoslovakia (Wright) DATED Jan.29, 1936

TO NAME 1—1127

REGARDING: External and Internal problems confronting Czechoslovakia. Press interview with Dr. Hodza relative to-. Close cooperation needed between the Little and Balkan Ententes, the Baltic countries and countries signatory to the Rome Pacts.

dg

770.02

DOCUMENT FILE

NOTE

SEE 760f.63/68 FOR #373

FROM ~~Czechoslovakia~~ (~~Wright~~) DATED ~~Jan. 19,~~ 1936
TO NAME 1—1127

REGARDING: Schuschnigg during his speech at Prague, on January 16 stressed the matter of increased cooperation between the states of the Danubian region.

mb

770.00/422

770.00

DOCUMENT FILE

NOTE

SEE 863.00/1248 FOR despatch #684

FROM Austria (Messersmith) DATED Feb.6, 1936

TO NAME

REGARDING: Cooperative spirit developing between the Little Entente and the Balkan Union States.

770.00/423

dg

DOCUMENT FILE

NOTE

770.00 /424

SEE 760h.00/57 FOR #461

FROM Yugoslavia (Wilson) DATED Feb.8, 1936

TO

NAME

1—1127

REGARDING:

Statement of Foreign Office officials that France is making efforts through Czechoslovakia to bring Austria into the Little Entente group.

Wi

DOCUMENT FILE

NOTE

770.00 /425

SEE 871.00 General conditions/4 FOR Tel.6, 9 p.m.

FROM Rumania (Harrison) DATED Feb.15, 1936

TO NAME

1—1127 GPO

REGARDING:

Austria will consult with Little Entente before acting in matter of Hapsburg restoration.

Austro-Little Entente political arrangement will take time but economic arrangement is now possible.

Recent meeting of Economic Council of the Balkan Entente led to signature of convention concerning aerial navigation.

Wi

OFFICE OF ECONOMIC ADVISER
MAR 27 1936
DEPARTMENT OF STATE

LEGATION OF THE
UNITED STATES OF AMERICA

Prague, March 5, 1936

60806

No. 409.

DIVISION OF WESTERN EUROPEAN AFFAIRS
MAR 23 1936
DEPARTMENT OF STATE

Subject: Economic Council of the Little Entente meets in Prague.

A-C/C
RECORDING DESK
FILE - WHB

DEPARTMENT OF STATE
ASSISTANT SECRETARY OF STATE
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DEPARTMENT OF STATE
MAR 23 1936
A-C/C

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Yes No
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AD
MAR 23 1936

DIVISION OF TRADE AGREEMENTS
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MAR 28 1936
DEPARTMENT OF STATE

DEPARTMENT OF STATE
MAR 19 1936
DIVISION OF NEAR EASTERN AFFAIRS

770.00
note
870.50 Prague

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to inform you that the Economic Council of the Little Entente met in Prague from February 24th to March 3rd, last. The meeting was the seventh regular one since the establishment of the Council in 1933.

From an official who took part in the meeting I learn that no outstanding results were achieved. Thirteen resolutions were adopted - for the most part concerning border matters of interest to the three countries - which will be put into effect at an early date.

Official

770.00/426
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APR 21 1936

Official figures published indicate that Czechoslovakia's imports from Rumania and Yugoslavia increased by approximately 50% during 1935, compared to the previous year. This is mainly due to larger purchases of wheat, lard and hogs from Yugoslavia, and of hogs, mineral oils and corn from Rumania, made possible as a result of the Government's policy of favoring trade between the Little Entente countries by taking less wheat from Hungary, which as a matter of fact had a short crop in 1935, and smaller quantities of lard from that country and from the United States (via Hamburg). The restricted or non-production of certain of these commodities in Czechoslovakia, due either to the workings of nature or to measures seeking to regulate their production, and in some cases the high prices of these and other commodities in the countries in question, facilitated the Government in carrying out this policy.

In the same manner, Czechoslovak exports to Rumania and Yugoslavia were greater by 112,000,000 crowns and 60,000,000 crowns, respectively, in 1935, than they were in the previous year.

My informant pointed out that, notwithstanding this satisfactory showing, it had been found impossible to increase the trade relations between Czechoslovakia and her Little Entente partners, or even maintain them at last year's level. Quotas had therefore been reduced, or would be reduced.

In 1935, Yugoslavia had import quotas in respect to Czechoslovakia amounting to 360,000,000 crowns; for the present year it had been found necessary,

according

according to the newspapers, to reduce these quotas to 260,000,000 crowns. Czechoslovakia was unable to negotiate a quota arrangement with Rumania during the meeting, but a delegation is proceeding to Bucharest in four or five weeks, when it is hoped to negotiate "some sort" of arrangement.

My informant stressed the difficulty of making any real progress in Czechoslovak-Yugoslav commercial relations; German propaganda in Yugoslavia is very active, he said, and that country finds it to her advantage to make certain purchases in Germany instead of in the Little Entente countries. He pointed out that the Yugoslavs are difficult to deal with, but that once they have given their word they live up to it. The Rumanians, on the other hand, are always ready to say yes, but once home they frequently change their mind.

At the last sitting of the Council the Prime Minister, Dr. Hodža, made an address in which he stressed the political and economic solidarity of the Little Entente countries, at the same time reaffirming his belief in the necessity for a rapprochement between those countries and the signatories of the Rome Pacts. Germany, he believes, must cooperate with these two groups, if the economic consolidation of Central Europe is to be accomplished; and he is happy to see that the Balkan Entente, and even Bulgaria, look favorably on his plan for economic cooperation in the Danubian Basin.

In conclusion, I should point out that Dr. Hodža also referred to the present commercial negotiations

with

with Austria, and said that any agreements that Czechoslovakia might make with third countries must in no manner prejudice these negotiations.

Respectfully yours,

J. Butler Wright

Copies to Belgrade and Bucharest.

JWB/CCP
631

DOCUMENT FILE

NOTE

SEE 863.01/299 FOR Despatch #2710

FROM Germany (Dodd) DATED March 2,1936
TO NAME

1—1127 ofo

770.00/427

REGARDING: So-called "Hodza Plan" for the Danubian States. Excerpt from an article in the BERLINER TAGEBLATT of February 24th in regard to,-.
The Plan tries to serve primarily the political interests of the States of the Little Entente.

fp

No. 2710 Berlin, March 2, 1935.

Subject: German Comment Regarding the "Hodza Plan".

The Honorable

The Secretary of State,

Washington.

Sir:

1/ I have the honor to transmit herewith, in copy
2/ and translation, an excerpt from the BERLINER TAGEBLATT of February 24, 1935, regarding the so-called "Hodza Plan" for the Danubian States.

This article of the TAGEBLATT stresses the idea that the Hodza Plan apparently originated on the initiative of the Danubian countries themselves and "is directed neither against the interests of Italy and Germany nor against those of France and England." Indeed, the article expresses itself rather complacently with regard to the

Plan.

Plan. This feature of the article is of interest in connection with the reference to this general subject in our telegram No. 56, February 29, 6 p.m.

Respectfully yours,

William E. Dodd.

Enclosures:

1. Excerpt of article from the BERLINER TAGEBLATT of February 24, 1936.

2. Translation thereof.

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FLM-gw

A true copy of the signed original.

Enclosure No.2

Translation
from
BERLINER TAGEBLATT
February 24,1936.

A Semi-Official Statement.

From these official and diplomatically worded reports it cannot be seen offhand whether the efforts of the Little Entente are concerned merely with an economic rearrangement of the Danube valley or whether there is also the thought of setting a political aim. The passage stating that this rearrangement is intended to be in conformity with the system of collectivity of the League of Nations, i.e., in other words with Article 16, would lead to the latter conclusion. Fortunately an end is put to such uncertainties by a perfectly clear interpretation by the Belgrade VREME, supposed to be semi-official. That paper frankly states that what is involved in Belgrade is a "plan of Hodza's," based on Hodza's Paris and London negotiations and Hodza's negotiations with Schuschnigg. This plan of Hodza's is said to consist of two aspects, namely, that he desires to bring about a universal economic system of the Danubian states, and secondly, to realize a collective system of security to be supplemented later by a system of assistance. This "peaceful suggestion," continues the semi-official interpreter, could neither alarm the neighboring countries nor the interested

Great

Great Powers, as this project, which contained no mysterious background, would not be put into effect unless all the interested countries, particularly England, France, Germany and Italy, had given their approval.

How this was to be practically effected, however, whether by means of a conference of the Danubian countries, is the question. It is considered significant at any rate that this "plan of Hodza's" originated in the initiative of small countries, and that therefore imperialistic influence on the Danubian rearrangement, as thought of in Belgrade, might be looked upon as equally precluded as the impression that this arrangement was forced on the Danubian countries by certain Great Powers. It cannot be denied that the plan possesses a certain originality in that it is directed neither against the interests of Italy and Germany nor against those of France and England. Solely the principles of European solidarity and security were decisive, so far as it was concerned.

In one paragraph of this semi-official interpretation it is then pointed out that this plan also guarantees the independence of Austria and that renewed alarm in Europe because of this question would thereby be eliminated in future.

This is the "Hodza Plan," which attempts to approach the Danubian problem from the other side this time, namely, from the side of the "smaller Danubian

states,"

states," but which, since it cites only Article 16, dealing with the peaceful revision of the treaties, out of consideration.

Without anticipating the verdict of the countries most interested, that is, Hungary, Austria, Italy and Germany, whose opinions have not yet been presented to date, it may perhaps be stated, at the first critical examination of the plan, which naturally tries to serve primarily the political interests of the States of the Little Entente, that at least Hungary, the geographical kernel of the Danubian area, may possibly resist a plan that wishes to perpetuate the territorial and political status quo prevailing so far in the Danube valley, and that it is also questionable whether the present Vienna regime is in a position to abandon for all time one of the cardinal demands of Belgrade, renunciation of the Hapsburg restoration. On the other hand, it also appears to be questionable whether Italy is prepared to let her two friends of the Rome Three Power Pact - Hungary and Austria - be remodeled into a sort of new Danubian federation and merely to bear economic burdens in that connection. But with regard to Germany too it will have to be seen whether she will forthwith be open to suggestions emanating from Prague, which is not exactly pro-German politically.

Still

Still, Hodza's personality does not by any means consort with the personality of the former Czecho-Slovak Foreign Minister Benes on all points, and seen from this angle perhaps the quotation from Schiller, which Hodza recited yesterday in the original German to the journalists present at the conclusion of the Belgrade Conference: "Words enough have been exchanged, now let there be deeds at last," may be worthy of notice after all. It remains to be seen indeed in what direction these "deeds" of the new Czecho-Slovak Minister-President will operate.

AC:EM

DOCUMENT FILE

NOTE

SEE 863.01/300 FOR Memorandum

FROM State Department (Phillips) DATED March 12,1936
TO Under Secretary NAME 1—1127 ero

REGARDING: Progress in development of the economic Danubian Union. Conversation with the Czechoslovak Minister in regard to,-.

770.00/428

428

fp

LEGATION OF THE
UNITED STATES OF AMERICA

No. 89 Bucharest, May 15, 1936

Subject: Meeting of the Permanent Council of the Little Entente at Belgrade on May 6 and 7 last.

DIVISION OF NEAR EASTERN AFFAIRS
JUN 2 1936
DEPARTMENT OF STATE

DEPARTMENT OF STATE
A-C/C
JUN 1 1936
ASSISTANT SECRETARY OF STATE

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In U. S. A

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DEPARTMENT OF STATE

DEPARTMENT OF STATE
MAY 27 1936
DIVISION OF NEAR EASTERN AFFAIRS

The Honorable

The Secretary of State,

Washington.

770.00

Sir:

I have the honor to report that the results of the meeting of the Permanent Council of the Little Entente, which took place at Belgrade on May 6 and 7 last, were received with marked satisfaction in Bucharest. Rumors of differences, especially as regards Yugoslav orientation towards Germany, were set at rest and agreement and solidarity on all matters of common interest once again forcibly proclaimed. A copy, in English translation, of the official communiqué issued by the Council upon the conclusion of its labors is enclosed herewith.

1/

During

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FILED
JUN 4 - 1936

During the course of a call upon Mr. Savel Radulescu, Undersecretary of State in the Ministry for Foreign Affairs, on March 8th, he emphasized the importance of the results achieved and particularly the complete accord reached by the representatives of the three Governments respecting the foreign policy to be pursued by them at this critical juncture. The meeting had not only furnished an opportunity to reaffirm their unity of purpose but had also brought them still closer together. To this happy outcome, Mr. Titulescu, his chief, had contributed in no small measure. It was evident that Mr. Radulescu was more than happy over the outcome of the meetings at Belgrade.

2/ There is also enclosed herewith an English translation of the statement to the press reported to have been made by Mr. Titulescu at the time of his departure from Belgrade for Geneva on the 9th of May. It will be noted that Mr. Titulescu announced the forthcoming visits of Prince Paul of Yugoslavia and of President Benes of Czechoslovakia to Bucharest. It is proposed that these visits will take place on June 6th next.

Prior to the meeting of the Little Entente representatives at Belgrade, speculation had been rife as to the possible implications of the alleged Germanophile tendencies of Yugoslavia, which had been explained by the enhanced position of her arch enemy, Italy, and the failure of France and England to compensate her adequately for the loss of her Italian markets due to the regime of sanctions imposed at

the

the request of the League of Nations. Meanwhile, Germany had stepped in and agreed to take large shipments from Yugoslavia, which, on account of clearing arrangements, had led to Yugoslav purchases in Germany.

I also understand that there has been certain friction and jealousy created between Mr. Milan Stoiadinovici and Mr. Titulescu, growing out of a statement made by the latter at Geneva some time ago when Mr. Titulescu, although no longer President of the Council of the Little Entente, had presumed to speak in the name of the Entente. This had antagonized Mr. Stoiadinovici, who, at the time, was President of the Council.

It has also been suggested that the victory of the Left in France and the announcement by Mr. Blum in favor of a policy of sanctions and support of the League, together with the well-known anti-fascist feelings of the French Socialists, indicating a cooling of Franco-Italian friendship, may have had some effect on Yugoslavia's attitude at the recent meeting.

However this may be, it would seem that any differences that may have existed between Mr. Titulescu and Mr. Stoiadinovici have been smoothed out, perhaps through the good offices of Mr. Krofta, and that, as a result of the Conference, the Council can announce once again that the three Governments are in complete accord.

Respectfully yours,

Leland Harrison.

Enclosures:
1. Communiqué of Little Entente meeting at Belgrade.
2. Titulescu's statement to press when leaving Belgrade.

710

t. Copy of despatch to Prague, Belgrade & Paris.

LH/BFG

In translation from
DIMINEATA (morning)
No. 10,550 of May 8,1936
(dated May 9)

Enclosure No. 1 to Despatch
No. 89 of May 15, 1936 from
American Legation at Bucharest,
Rumania.

COMMUNIQUÉ OF THE PERMANENT COUNCIL OF THE LITTLE ENTENTE

The Permanent Council of the States of the Little Entente reassembled on the 6th and 7th of May at Belgrade under the Presidency of Milan Stoiadinovici, President of the Council of Ministers and Minister for Foreign Affairs of Yugoslavia.

After a profound discussion of the present international situation and after thoroughly examining all concrete questions of foreign policy which interest the three States of the Little Entente, the Permanent Council of the Little Entente indicates below the direction of the common policy of the three States:

1) For 16 years the States of the Little Entente have striven to defend devotedly, in the framework of the League of Nations, peace and the respect of international engagements, seeking to restore in Europe pacific collaboration among peoples by a spirit of mutual understanding.

2) Desiring to safeguard peace, the greatest benefactor of all peoples, they have opposed most energetically everything which might overthrow the present state of affairs in Central Europe. For this reason they have always sustained the policy of the Western Powers who helped to maintain Austria's independence, and for the same reason they are opposed to any change of frontiers by revisionism, and to the return to the throne of a dynasty whose presence would inevitably provoke the gravest conflict in the Danubian Basin.

3) We solemnly declare today, at a specially grave moment in European politics, that the States of the Little

Entente

Entente have no reason to modify in the least this policy, practiced in the spirit of continuity and with a fidelity and an unshakable firmness. They are today more bound to it than ever. They will continue it, therefore, with the same energy and to the last degree in the interest of European peace.

4) For this reason they declare with particular emphasis that their vital interests and their understanding of the historic necessities of yesterday, today and tomorrow force them to remain forever indissolubly bound one to the other. This is more true than ever today when the international situation reveals great difficulties and even grave threats to the peace of Europe.

5) For these reasons also they emphasize the fact of profound and complete unity of their entire international policy. Whether it is in regard to their attitude toward the League of Nations, the independence of Austria or the return of the Habsburg dynasty, the respect of the frontiers and of the provisions of the treaties relative to the military engagements and, in general, the respect of international engagements, purely and simply, or in regard to their relations with France and England, with Italy and Germany, with Hungary, with Bulgaria, with Austria or Poland, with the countries of the Balkan Entente, or with the Soviet Union, their policy remains absolutely identic, based on the same principles, on the same sentiments and on the same common interests. The States of the Little Entente proclaim this fact to avoid at home and everywhere else any misunderstanding or error. The attitude of the three States of the Little Entente toward any of these countries will therefore

always

always be the same, common and completely united.

6) The States of the Little Entente will continue to pursue the policy of the League of Nations with the utmost fidelity, hoping that with firmness it will succeed in overcoming the present grave crisis. They are partisans of the principle of efficacious collective security and are ready to participate and to put this principle into effective practice. But, as they have done in the past, they will also know how to give in the future, by other means, the necessary force and efficacity to the policy of their peoples.

7) On the question of the Locarno Treaty and the consequences of its denunciation, they desire to see quickly terminated the preparatory discussions between the Locarno powers for European collective security so that the Little Entente can add its contribution to the consolidation of general peace in Western Europe as well as in Central and Eastern Europe. Although not being direct signatories of the Rhine Pact, they still follow the evolution of these negotiations, knowing well what consequences would arise for them from any conflict.

8) They emphasize their vital interest in the respect for the Treaties of St.Germain, Trianon and Neuilly. They have made their point of view known in this regard and have taken an attitude that is well known. After reaching a decision in the present negotiations as to their practical attitude for the future, to safeguard their interests and rights, the three States declare vigorously that when the moment arrives they will do everything that is necessary so that these rights and vital interests will be respected. They therefore reserve for the future every liberty of

action

action, stating at the same time and once for all that they will never give their consent to the legalization of a change of any international provision to which they are jointly bound with the other signatories, if these modifications are not discussed with them and if not agreed upon by them in conformity with the principles of international law.

9) This attitude regarding treaties in force does not in the least prevent the States of the Little Entente from continuing energetically attempts toward reaching an economic collaboration between the States of the Danubian Basin, desiring by acts thus to manifest proofs of their good will with a view to bringing about a true understanding in this regard. They have already pointed out many times their adhesion to the principle of economic collaboration with the Rome block and with Germany,

10) The States of the Little Entente are conscious that the international situation is very serious. As founding States of the League of Nations they are profoundly attached to peace; as States which have taken part in the War of 1914-1918, they know how to appreciate the advantages of peace and understanding between peoples. But, in considering the necessity of a straight political course which truly brings about sincere pacific collaboration, they have decided to take in common and in profound unity and fidelity, every measure for defending peace and their national patrimony by every means which are and will be at the disposal of their friendly and allied peoples.

11) In view of the important negotiations concerning all these questions, which will take place very soon either at Geneva or through the regular diplomatic channels, the three Ministers will remain in permanent touch with one another.

-ooo-

In Translation from "DIMINEATA",
(Morning) 10552, May 10,1936,
(dated May 11,1936)

Enclosure No.2 to Despatch
No.89 of May 15, 1936, from
the American Legation,
Bucharest, Rumania.

Mr. Titulescu's Statement to Press on leaving Belgrade for Geneva.

Mr. Titulescu left Belgrade on the 9th of May for Geneva.

In his statement to the press he expressed admiration and respect for Regent Prince Paul and President of the Council Stoiadinovici. He said, being fully aware of the present situation and having seen both organizations at work, that the Little Entente and the Balkan Entente are strong and cannot be shaken; that the results of the conferences of both ententes at Belgrade serve as a punishment to those who have sought to destroy their harmony.

Titulescu added that no one sought to disrupt the organizations, but that there was talk of such a thing; that if there is such an attempt on foot it is doomed to failure inasmuch as the five states are bound by a common vital interest: the need of maintaining the present fromtiers and because their aims are beyond criticims as they seek friendship with every country without distinction.

The formula of the two ententes, Mr. Titulescu went on to say, is not to infringe upon the rights of others and, in turn, never to consent to the slightest abridgment of their rights.

He feels that the labors at Belgrade were fruitful and are destined to make further progress.

He announced that Prince Paul and Benes had accepted an invitation of King Carol to come to Bucharest at an early date for a meeting of the three chiefs of state of the Little Entente, accompanied by their ministers.

-

Titulescu

Titulescu concluded that he was going to Geneva to continue his mission and that he was imbued with renewed courage from the conferences at Belgrade and the loyalty shown by Rumania's allies of the Little Entente and the Balkan Entente.

DOCUMENT FILE

NOTE

SEE 760h.71/55 FOR Tel. 15 5pm

FROM Rumania (Harrison) DATED May 30,1936

TO NAME

1—1127

REGARDING: Little Entente.

Believe if Titulescu should be unable to obtain a reversal of the Prince Regent's decision to not visit Bucharest, June 6-8, the consequences may involve the future unity of the -.

770.00/4320

lec

MG
This telegram must be closely paraphrased before being communicated to anyone. A

Bucharest

Dated May 30, 1936.

Rec'd 7:31 p.m.

Secretary of State,

Washington.

760H.91

RUSH

15, May 30, 5 p.m.

760H.91/55

CONFIDENTIAL FOR THE SECRETARY.

Yesterday Prince Regent of Jugoslavia informed King Carol regretting he would be unable to visit Bucharest June 6th to 8th as announced owing to certain difficulties raised by his Government. King proposed sending high official of the Court immediately to Belgrade but Titulescu insisted that he be sent and left by air last evening.

If Titulescu should fail to obtain reversal Regent's decision far-reaching consequences may result involving future unity of Little Entente and personal position of Titulescu.

770.

Copy by air to Belgrade and Praha.

HARRISON

RR

DOCUMENT FILE

NOTE

770.00/4314

SEE 760h.71/57 FOR Tel.16, 6 p.m.

FROM Rumania (Harrison) DATED June 3, 1936

TO NAME

1—1127

REGARDING: Alleged that Prime Minister of Yugoslavia refused to accompany the Prince Regent on a visit to Rumania because he wished to assert his independence of action in the Little Entente, especially as regards Russia.

Wi

DOCUMENT FILE

NOTE

SEE 760h.71/58 FOR #526

FROM Yugoslavia (Wilson) DATED May 20,1936

TO NAME

1—1127

REGARDING: Little Entente.

British Minister believes that the proposed visits by the President of Czechoslovakia and the Prince Regent, Paul, to Rumania is to emphasize the entire unity and solidarity existing between members of the Little Entente.

lec

770.00/432

No. 526 Belgrade, May 20, 1936.

Subject: Chiefs of State of the Little Entente to visit Bucharest.

760H.71/58

770.00

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that at the close of the recent Conference of the Little Entente it was rumored that upon the invitation of King Carol of Rumania, the President of Czechoslovakia and the Prince Regent, Paul, accompanied by their respective Ministers for Foreign Affairs, would visit Bucharest early in June. This meeting, coming so soon after the Conference of the Little Entente, aroused considerable interest and curiosity as to its reasons and objects. The Rumanian Minister, while confirming the visit, was very

non-committal

non-committal and tried to pass it off as a mere courtesy meeting of the three Chiefs of State of the Little Entente.

The British Minister tells me that he believes that this is possibly true but that the visit is also intended to further emphasize the entire unity and solidarity existing between the members of the Little Entente. He went on, however, to say that before the recent Conference of the Little Entente at Belgrade, Mr. Titulesco had endeavored to have its meeting-place changed to Bucharest, believing apparently that the atmosphere there would be more favorable to his ideas. Belgrade refused to accept this change, and was , moreover, annoyed when the Yugoslav Government learned from Mr. Benesh that Titulesco had informed him (Benesh) that the Yugoslav Government was favorable to holding the meeting at Bucharest. As a result, when Mr. Titulesco did arrive in Belgrade for the Conferences of the Balkan and Little Ententes there was not only a coolness between himself and the Turkish Minister for Foreign Affairs (Legation's despatch No. 521 of May 9, 1936), but also a coolness between himself and the Yugoslav Government. However, after the apparently very successful and satisfactory outcome of the Little Entente Conference, it was decided to accept the invitation of King Carol, extended through Mr. Titulesco to the Chiefs of State of the Little Entente and their Ministers for Foreign Affairs to visit Bucharest. This, it was felt, would restore Mr. Titulesco's rather ruffled feelings, would flatter Rumanian pride and would also enhance the position in the country of King Carol, as the date chosen for the

visit

visit of Prince Paul and President Benesh to Bucharest is June 6th, the anniversary of the restoration of the King to the throne of Rumania.

The British Minister, therefore, believed that the proposed visit had no special political significance beyond emphasizing the complete solidarity of the Little Entente, unless, he added, Mr. Titulesco should seize the occasion to spring some political surprise.

I hear on what seems to be good authority that Mr. Stoyadinovitch will not accompany Prince Paul to Bucharest and that his place will be taken by some less important member of the Cabinet who could not make any decision, and would have to refer to Mr. Stoyadinovitch any possible proposals that might be made by Mr. Titulesco.

Respectfully yours,

Charles S. Wilson

File No. 710

CSW/PC

LEGATION OF THE
UNITED STATES OF AMERICA

No. 536. Belgrade, June 11, 1936.

Subject: Meeting of the Chiefs of the States of the Little Entente at Bucharest.

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JUN 23 1936
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NEAR EASTERN AFFAIRS

The Honorable

The Secretary of State,

Washington.

770.00/433

770.00

FILED
JUN 30 1936

Sir:

I have the honor to report that the Prince Regent Paul returned to Belgrade on June 9th from the meeting with the other Chiefs of the States of the Little Entente, King Carol of Roumania and Mr. Benesh, the President of the Czechoslovak Republic, held at Bucharest from June 6th to 8th. Mr. Stoyadinovitch, the Yugoslav Prime Minister and Minister for Foreign Affairs, was invited by King Carol to accompany the Regent, but he declined

on

on the official ground that the Regent and the Prime Minister ought not both to absent themselves from the country at the same time. It is, however, generally believed here that there is something more behind this refusal. It is no secret that there is sympathy lost between Mr. Stoyadinovitch and Mr. Titulesco, and the former is reported to have been especially annoyed, as Mr. Titulesco, it is stated, announced to the representatives of the Press the future meeting of the three Chiefs of the States of the Little Entente at Bucharest, if not before the invitations had been given, at least before they had been accepted, thus forcing their hands. Prince Paul, it is said, shared Mr. Stoyadinovitch's annoyance and there seems to have been some hesitation as to whether the invitation would be accepted. Even at the last moment it seemed as if Prince Paul might call his visit off as it was rumored both here and in Bucharest that he was not satisfied with the measures for his personal security which the Bucharest authorities were preparing. It is supposed that it was to calm this anxiety that Mr. Titulesco made his unexpected and flying visit to Belgrade. (Legation's telegram No. 19 of June 3, 1936.) At the same time he is believed to have made a final effort to persuade Mr. Stoyadinovitch to reconsider his decision not to accompany the Prince Regent to Bucharest. However, finally it was evidently realized that the failure of Prince Paul to be present at the meeting of the Chiefs, after the announcement of the invitation extended, would certainly give rise to the belief that

there

there were grave differences among the members of the Little Entente and that such a belief would have far reaching political consequences, not only within but also outside the Little Entente. It was therefore decided that the Prince Regent should go to Bucharest but should be accompanied by the Minister of Communications instead of by the Prime Minister and Minister for Foreign Affairs, without whose presence no engagements binding upon Yugoslavia could be reached.

Many persons believe that despite the official communiqué, exchange of speeches, etc., and other statements issued at the close of the meeting of the Permanent Council of the Little Entente on May 6th and 7th perfect agreement and solidarity did not exist among its members, and that on several points Yugoslavia did not see eye to eye with her two partners. Indeed the Polish Minister told me that the fact that it had been felt necessary to hold a meeting of the Chiefs of State of the Little Entente so soon after the meeting at Belgrade of the three Ministers for Foreign Affairs was, he felt, in itself a confession that things had not gone smoothly at the meeting of the Council at Belgrade, and that the subsequent meeting at Bucharest was an attempt to restore the solidarity of the Little Entente which had given signs of disintegration at the Belgrade meeting. It was to dissipate this impression, which was widely spread in European political circles, that Mr. Titulesco, it is believed here, decided to bring about the meeting at Bucharest of King Carol, Prince Paul,

and

and Mr. Benesh, which would once and for all put an end to all rumors that there were differences between the members of the Little Entente. In this effort he seems to have succeeded to some extent.

The Press in all three Little Entente countries and in Europe generally has discussed at great length the Bucharest meeting as a striking proof of the firm solidarity of the Little Entente. The toasts at the banquet, especially those of King Carol and Mr. Benesh, which were extremely long, were very cordial and seemed to indicate that Roumania and Czechoslovakia at least were in complete accord on all points. The speech of Prince Paul was much shorter and appears to me to be much more reserved and restrained in tone. In the speech of King Carol he proposed that visits between the three Chiefs of State of the Little Entente should be made an annual affair. Mr. Benesh in his reply accepted the proposal with enthusiasm while Prince Paul, it was especially noted in his reply, entirely ignored the point. The Yugoslav Press on the whole seems inclined to agree that the chief object of the meeting at Bucharest was to emphasize again the absolute solidarity and unity of the Little Entente, and the "Vreme" writes that that body "is grateful to His Royal Highness for having, by his firm and resolute words, dissipated the latest intrigues invented about the attitude of Yugoslavia and its alleged divergence of views with its most natural allies", and it emphasizes especially the words of the Prince Regent stating that "the Little Entente with its active complement, the Balkan Entente, will continue its

present

present policy and in the course of coming events will remain a united bloc".

The "Politika" of June 6th states "that the Bucharest Conference of the three Chiefs of the Little Entente countries is not a conference, but a manifestation of that firmness and unanimity of the Little Entente so useful to Europe, It is a manifestation of the cordiality in the relations and the solidarity in the action of the Little Entente and the present situation makes it necessary that this should be emphasized and made clear".

At the close of the Conference at Bucharest certain Yugoslav papers referred to a number of definite decisions which had been reached, the substance of which, it was stated, it would not be politic to reveal at this time. I have been unable to learn what these decisions were, if they really exist, but in so far as Yugoslavia is concerned they could hardly be binding until examined and approved by the Prime Minister and Minister for Foreign Affairs.

The British Minister tells me that he attaches very little significance to the Bucharest meeting, believing it was due: (1) to the desire of King Carol to celebrate the date of his return to the Throne in a striking manner, and (2) to the desire of Mr. Titulesco to return to the limelight, as during recent events he has been somewhat under eclipse.

I have the honor to enclose herewith a <u>résumé</u> of an editorial from the "Politika" of June 8th on the subject of the Bucharest meeting, which is typical of

the

the many columns which appeared in the entire press concerning this event. The general tone of Yugoslav opinion seems to be one of satisfaction with the results of the Bucharest meeting, and expresses the belief that the Little Entente has been strengthened. My Roumanian and Czechoslovak colleagues profess to share this satisfaction. My personal opinion is, however, that there are still points of disagreement between Yugoslavia and her two allies and that these points are likely to increase with time and with the course of future political events in Europe.

Respectfully yours,

Charles S. Wilson

Charles S. Wilson

Enclosure:

Résumé of editorial from "Politika" of Belgrade, June 8, 1936.

File No. 710

CSW:HSB

Copy to the Legation in Bucharest.

Enclosure to Despatch No. 535 of June 11, 1936, from the Legation in Belgrade.

RESUME OF AN ARTICLE FROM THE POLITIKA OF JUNE 8, 1936.

THE BUCHAREST MEETING.

The "Politika" emphasizes that the meeting of His Majesty King Carol II, of His Royal Highness the Prince Regent Paul, and of the President of the Czechoslovak Republic was truly useful and necessary. In fact the three Chiefs of State of the Little Entente, for the first time during the sixteen years which this political organization has existed, have been in a position to speak directly, face to face concerning present problems.

Up to now the responsible Ministers for Foreign Affairs of the Little Entente made reports to their Chiefs of State in regard to the decisions taken in their name. This time, however, King Carol, the Prince Regent Paul, and President Benesh, have examined personally everything which interests the three countries. It was not difficult for them to reach a rapid agreement in ratifying the decisions recently reached at Belgrade by their respective Ministers for Foreign Affairs.

From the international political point of view the Bucharest interview brought nothing new. But what gives this meeting exceptional significance, is the fact that for the first time since the creation of the Little Entente the three Chiefs of State have expressed at the same time and in the same words all that they have at heart.

King Carol, the Prince Regent, and the President, in the course of these days, have been able to discuss calmly the international political situation and fix

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the line of defense of their common interests. For it was emphasized by all three that the Little Entente is essentially an organization of defense, and of peace.

In fact, at the moment when this important meeting was taking place at Bucharest Europe finds itself at the crossroads. Who knows what the coming days have in store? Since 1918 uncertainty has never been so great. By the acts of others, and not by those of the Little Entente, the possibility of collective security has suffered a severe blow. The international institution of Geneva, in which many placed exaggerated hopes, and on which they built their future, has been weakened. Isolation might at any moment be disastrous, and this is why the Chiefs of the three States have felt that the moment has come when it is necessary to say openly and clearly that everything in Europe is not destroyed, that in Central Europe and in the Balkans two groups of nations exist which are conscious that they must be individually strong in order to traverse the difficult days ahead. The statement of Mr. Benesh is absolutely true when he said, "I hope that these words from Bucharest will be heard in all the capitals of Europe". It is because it is necessary that the Little Entente be strong and powerful, in order to meet all difficulties wherever they may arise, that King Carol, the Prince Regent and President Benesh, have in their conversations given their chief attention to the defensive force of the Little Entente. According to information from well informed sources, the foundation of today's decisions were the words pronounced by Prince Paul: "Whatever may be the course of coming events, the organism of the

Little

Little Entente will be able to face them as the interests of our countries require."

*****

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LEGATION OF THE
UNITED STATES OF AMERICA
Bucharest, Rumania, June 12, 1936.

No.99.

Subject: Meeting of Chiefs of State of the Little Entente in Bucharest.

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The Honorable

The Secretary of State,

Washington.

FILED
JUN 30 1936

Sir:

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760H.71

Referring to my telegrams Nos. 15 and 16 of May 30th and June 3rd, respectively, I have the honor to report that Prince Paul, Regent of Yugoslavia, and Edward Benes, President of Czechoslovakia, visited Bucharest as the guests of King Carol and attended the festivities from June 6th to June 8th in celebration of the sixth anniversary of King Carol's return to Rumania and assumption of the Throne.

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It

It will be recalled that immediately after the meeting of the Permanent Council of the Little Entente in Belgrade on May 6th and 7th last, Mr. N. Titulescu, the Minister for Foreign Affairs of Rumania, announced in a statement to the press that Prince Paul and President Benes had accepted an invitation from King Carol to come to Bucharest for a meeting of the three Chiefs of State of the Little Entente, accompanied by their Ministers. Mr. Camil Krofta, Minister for Foreign Affairs of Czechoslovakia, accompanied Mr. Benes but Mr. Stoyadinovitch, Prime Minister and Minister for Foreign Affairs of Yugoslavia, did not accompany Prince Paul.

It had been generally taken for granted that Mr. Stoyadinovitch would come to Bucharest. Consequently speculation was rife when Mr. Titulescu's sudden departure for Belgrade by airplane on May 29th became known and this was not allayed by the issuance of a bare statement to the effect that the purpose of Mr. Titulescu's trip was to discuss the program of entertainments and to advise the Yugoslav Government of the conversations he had held with prominent Statesmen subsequent to the recent meeting of the Council of the Little Entente.

My telegram No.15 of May 30, 5 P.M., was based on information obtained from my French Colleague who had seen Mr. Titulescu shortly before the latter's departure for Belgrade. The King, he was told, had received a message by telephone from Belgrade from which it appeared that the Prince Regent did not wish to come

owing

owing to objections raised by his Government. The King then proposed sending Mr. A. de Mocsonyi, Grand Veneur de la Cour. Although he hates to fly, Mr. Titulescu insisted upon going himself. Unless Prince Paul could be persuaded to change this decision the effect would be disastrous.

Subsequently, on June 4, I learned from my French Colleague that the telephone conversation had given an erroneous impression. Actually, Belgrade feared for the Regent's personal safety and objected to some of the items on the program, especially the proposed visit to the "Luna Bucurestilor", a local open-air exposition, and the trip to Turnu-Severin (the Iron Gates) for the christening of the new Danube steamer REGELE CAROL II. Belgrade desired to restrict the visit to one day only.

Mr. Paul Boncour refused to credit the story that Mr. Titulescu's sudden trip had been caused by the eleventh hour refusal of Mr. Stoyadinovitch to accompany the Prince Regent to Bucharest. As President of the Council, Stoyadinovitch could not leave the country if the Prince Regent were to be absent at the same time. A similar explanation was offered by my Czechoslovak Colleague and I heard it from other sources also.

While it might well be that Mr. Stoyadinovitch may have desired to retain his freedom of action for certain eventualities, nevertheless apprehension for the safety of Prince Paul was markedly noticeable amongst the staff of the Yugoslav Legation and the measures taken to protect the person of the Prince were far greater than

those

those for the protection of Mr. Benes. Furthermore, my Latvian Colleague, who is also accredited to Czechoslovakia, told me that it had been known in Prague at least three weeks ago that Stoyadinovitch would not accompany the Prince Regent to Bucharest. Prince Paul did not visit the Luna Bucurestilor and he did not make the trip to Turnu-Severin with the King and Benes. The hour of his departure was not announced and he left Bucharest Monday morning. President Benes left Rumania Wednesday after the visit to the Iron Gates.

President Benes and Prince Paul arrived in Bucharest at 10 A.M. and 11 A.M, respectively, Saturday morning June 6th. They were greeted upon arrival by King Carol, members of the Royal Family, the Cabinet, the Diplomatic Corps and other High Officials. The festivities included a military parade before the Palace Saturday noon followed by an official luncheon. In the evening after a private dinner at the Palace and a banquet given by Mr. Titulescu, there was a gala concert and supper. Sunday was spent at Scrovistea Bastle and in the evening dinner and reception at the Czechoslovak Legation. Monday morning the King addressed and reviewed some thirty-five thousand boys and girls members of the Youth Movement (Strajeri) in which His Majesty is so interested. In the afternoon, Prince Paul returned to Belgrade and the King and President Benes left by train for Turnu-Severin. They returned to Giurgiu Wednesday when Mr. Benes took his departure for Prague and the King returned to Bucharest.

The three Chiefs of State held two important meetings.

The

The first took place after luncheon Saturday and the second at Scrovistea Castle when the following communique was issued to the press.

> "On Sunday, June 7, at Scrovistea, the second conference which lasted four hours, between His Majesty, the King, His Excellency, the President of Czechoslovak Republic, Mr. Edward Benes, His Royal Highness, Prince Regent Paul, in which the Prime Minister, Mr. G. Tatarescu, the Minister for Foreign Affairs, Mr. N. Titulescu, and Mr. K. Krofta, the Czechoslovak Minister for Foreign Affairs participated.
>
> All the current problems were examined. A most perfect identity of views, above everything, was noted and, consequently, a complete community of action was established."

The usually well-informed DIMINEATA reported that the following questions were discussed at Scrovistea: The Hapsburg question, Anschluss, the independence of Austria, Economic Reorganization of the Danubian Basin, Cooperation and Coordination of the Economic Life of the States of Central Europe, Italy's policy and the Pact of Rome, Sanctions, The Political Problems of the Balkans and the Straits. The Dimineata pointed out the importance of the fact that on all these questions, there had been identity of views and agreement on unity of action.

In welcoming his distinguished guests at the official luncheon on Saturday, King Carol said that the meeting of the Chiefs of State, "which affirms the unity and indissolubility of the Little Entente, would show that we (they) constitute an international unity which, in close collaboration with the Balkan Entente, has for its policy the maintenance of peace and the

safeguarding

safeguarding of its own interests. The first of these interests is the respect of the present frontiers and the Treaties of Peace. The basis of the policy of the Little Entente is the respect of international engagements". His Majesty also expressed the view that "if experience proves that certain modifications should be made in the Covenant, we (they) would never accept any attempt against the principle of the Equality of States, or any proposal which would tend to weaken the Pact". Again "The Little Entente knows no enemies and the only enemies she could have would be the enemies of Peace". The King also proposed that this first meeting of the Chiefs of State should be made an annual affair. In their replies both Prince Paul and President Benes voiced their complete agreement with the ideas expressed by King Carol.

It has also been agreed that the Chiefs of Staff of the three countries of the Little Entente shall confer together in Bucharest and the meeting has been set for next week.

In well-informed circles the belief is prevalent that the meeting accomplished little more than a demonstration of unity and served principally to reaffirm the policy set forth in the communique issued upon the close of the recent meeting of the Permanent Council of the Little Entente last month in Belgrade. I have not as yet been able to see Mr. Titulescu but I have heard that in reaching a decision to oppose the restoration of the Hapsburgs, it had been recognized that this was also a question of general interest but that the Entente would oppose by all means in their possession any encroachment

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by

by Italy or Germany against the independance of Austria.

A tragic accident occurred during the festivities at Cotroceni Monday morning. One of the temporary wooden stands surrounding the large field on which the Youth Movement (Strajeri) were going through their exercises before the review by the King, collapsed with some three thousand spectators. Fortunately there was no panic on the other stands and good order was maintained. His Majesty the King promptly left his box and took personal charge of the efforts to succor the unfortunate victims. The Government announced that there had been three deaths and a certain number injured. Foolishly, I believe, the censorship has been busy. But from the last information obtainable the number of deaths may reach eighty with as many as six to eight hundred hospital cases. I am happy to report that no American citizens have been found to have suffered any injury.

Respectfully yours,

Leland Harrison.

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G-2 Report

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YUGOSLAVIA, GREECE, RUMANIA (POLITICAL)

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Note
740.0011 Mutual Assistance/Balkan

Subject: Present Foreign Policy in connection with attitude of Little Entente and Balkan Entente.

With the current meeting of the Balkan Conference at Belgrade May 4-7 of the Ministers of Foreign Affairs of the member states and those Prime Ministers who hold the dual office - Greece and Yugoslavia - much interest is being manifested in the opportunity offered for achieving a definite program. Greece will be expected to make some stand or commitment on any stand taken arising out of the Italo-Ethiopic confliot.

770.00/435

The conference will consider the following subjects during its deliberations:

1. Obligations of each of the member states of the Balkan Entente.
2. Remilitarization of the Straits.
3. Study of the common diplomatic stand in respect of the greater international problems: Italo-Ethiopic conflict, sanctions, and the new Austrian problem.
4. Consideration of the Italian penetration into Albania, the Italian fortifications in Albania, and the establishment of naval bases on the Albanian Littoral.
   Note: It has been reported that Italy contemplates sending 300,000 Italian immigrants to Albania in the near future.
5. The Hungarian irridentist claims.

In respect of Turkey's demand for remilitarization of the Dardanelles: It is anticipated that the other member states of the Balkan Entente will grant full accord to the measure. In which case Greece will have an equal claim to the fortification of her territory demilitarized, should she request it. This she does not anticipate doing. She does, however, wish to clear the ground of possible objection to the fortification of the Salonika base, which is one of her military desires at present.

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JUN 19 1936

The attitude of both the Little Entente and Balkan Entente in respect of difficulties arising out of the Italo-Ethiopic conflict is to remain neutral. They will look to France and England to find the solution to any danger jeopardizing their neutrality. The Balkans have no interests in Africa and no colonial aspirations.

The "piece de resistance" of the foreign policy of the Little Entente and of the Balkan Entente is territorial

integrity, and consequently all are anti-revisionists and against any revisionist aspirations. Their attitude is to stand strongly behind the League of Nations as long as the League supports these policies. To other League policies and measures they do not feel they are obliged to render support. The Balkan Entente, like the Little Entente, guarantees to its members territorial integrity with the forces at its disposal against any aggressor.

Of all the member states of both the Balkan and Little Ententes, Yugoslavia is, at present, in the least state of apprehension; Greece has its problems in respect of probable difficulties arising out of the Italo-Ethiopic war and of probable difficulties with Bulgaria arising out of the fortification of the Dardanelles; Turkey has the problem of difficulties arising out of her action in scrapping the treaty provisions; and Rumania those arising from Turkey's action and also those growing out of changing orientation of her Polish and German relationships and the probable consequences of difficulties which may arise therefrom. The change in Poland's foreign policy in January 1934 and orientation by her toward Germany caused a cooling in Rumano-Polish relations, strengthened by Poland's lack of interest in an Eastern pact, her criticism of the political objectives of the Little Entente, and her neutral attitude in her foreign policy toward the revisionist aims of Hungary and the policy of Anschluss of Germany. On the other hand, in respect of Rumania, Poland disliked Rumania's modification of policy toward the Soviet in respect of Poland's obligations to Germany in a treaty directed against the Soviets. All these changes render the Polish-Rumanian treaty of alliance of negative value. Moreover, Rumania, through her strong favoritism for France, regarded with disfavor Poland's action in 1934 in preventing France's plan of the encirclement of Germany, by the Berlin pact. In respect of other states, there has been no material change of policy reported or observed.

770.00/436

In respect of Bulgaria: The turn that events have taken recently has not pleased Bulgaria. She is not in accord with the Turkish move to fortify the straights and wishes to use this development as a renewal and a fortiori argument for an Aegean port. While she originally demanded Kavalla, she now, it appears, will make claim for Dedeagats (Alexandroupolis), Aegean port at the mouth of the Maritza. She feels she should be granted this, together with the strip of rich Greek territory between the Balkan Mts. and the Maritza from Adrianople south. Turkey, it appears, will support Greece's territorial integrity and in exchange Greece will support Turkey's Dardanelles program. It has not developed if a separate bipartite pact will be proposed or if reliance on the Balkan Pact will be considered sufficient assurance for Greece.

Source:
Various contacts and press deductions.

F. L. WHITLEY,
Lt. Colonel, Inf.,
Military Attache.

DOCUMENT FILE

NOTE

SEE 740.0011 Mutual Guarantee/145 (Balkan) FOR Despatch #1213

FROM Greece (MacVeagh) DATED June 13,1936

TO NAME

1—1127

770.00/436

REGARDING: At recent meeting of the Chiefs of State of the Petite Entente at Bucharest, a resolution was adopted to the effect that the Petite Entente and the Balkan Entente will collaborate to uphold the efforts of France and England to maintain peace. Comment on,-in an editorial appearing in the KATHOMERINI, a reputable Athenian organ of the Popular Party.

fp

136

Athens, June 13, 1936.

No. 1213.

Subject: Balkan Understanding outside the Pact.

The Honorable

The Secretary of State,

Washington.

Sir:

In reference to my despatch No. 1165 of May 7, 1936, entitled, "Greece and the Pact of Balkan Understanding," I have the honor to enclose a translation, from the French of the "MESSAGER d'ATHÈNES," the semi-official foreign language organ of the Hellenic Foreign Office, of part of an editorial which recently appeared in the "KATHIMERINI," a reputable Athenian organ of the Popular Party.

This editorial comments on the recent meeting of the Chiefs of State of the Petite Entente at Bucharest,

and

and especially on a resolution adopted at that meeting to the effect that the Petite Entente and the Balkan Entente will collaborate to uphold the efforts of France and England to maintain peace.

It will be remembered that Galileo, when charged with heresy for saying that the earth moves, took back his statement formally, but added under his breath, "But it moves just the same." In the same way the Popular Party, whichmecommitted the heresy of trying to apply the Balkan Pact outside the Balkans, maintains today that no matter what the Pact's strict interpretation may be, the community of interests which called it into being do in actual fact carry its implications beyond the frontiers of the peninsula.

This point of view is probably also that held secretly by the present Government, which was not unwilling to confirm officially the strict interpretation of the Pact in order to provide an opportunity for neutrality in case of a conflict including Italy, but which also, as representing a nation which was one of the beneficiaries of the Peace Treaties, is deeply concerned with the preservation of the status quo within the limits of its own safety.

Respectfully yours,

Lincoln MacVeagh.

Legation File 710

Enclosure as stated

LMacV/cwf

Enclosure No. 1 to Despatch No. 1213 of June 13, 1936,
from the Legation at Athens, Greece.

TRANSLATION
From the Messager d'Athènes
of June 10, 1936, quoted
from the KATHIMERINI.

The resolutions adopted at Bucharest indorse the policy hitherto followed in European problems of a more general nature and facilitate its pursuance, since it was formally stated that the Little Entente will adhere without hesitation to the principles which determined its founding.

The point of exceptional importance in the conversations, however, is the statement which accompanies the communiqué, that the Little Entente will follow in international problems the same course as France and England, and that it will endeavor in conjunction with the Balkan Entente to uphold the efforts of these two powers to maintain peace.

It has been frequently pointed out that the Balkan Entente has a sphere of interests different from that of the Little Entente and that in no case will it meddle with questions which do not concern the actual Balkan region. But the generally recognized limitation of action on the part of the Balkan Entente within the frontiers of the peninsula cannot possibly apply to the diplomatic field when the defense of common interests is concerned. The governments of the Balkan Entente like those of the Little Entente are interested in the maintenance of the status established by the peace treaties and reject any change in that status. In the legitimate defense of this interest there will line up tomorrow at the League of Nations the governments of the Little Entente and those of the Balkan Entente on a united diplomatic front to cooperate in supporting any effort tending to defend their interests. From this point of view there may be, one may say must be, some question of collaboration between the two groups.

LEGATION OF THE
UNITED STATES OF AMERICA

No. 102 Bucharest, June 17, 1936.

RECEIVED
DEPARTMENT OF STATE
1936 JUL 7 AM 10 10
DIVISION OF COMMUNICATIONS AND RECORDS

Subject: Statements of Mr. Benes Following Little Entente Conference at Bucharest.

DIVISION OF WESTERN EUROPEAN AFFAIRS
JUL 17 1936
DEPARTMENT OF STATE

DIVISION OF WESTERN EUROPEAN AFFAIRS
JUL 16 1936
DEPARTMENT OF STATE

DEPARTMENT OF STATE
ASSISTANT SECRETARY OF STATE
JUL 18

FOR DISTRIBUTION - CHECK Yes No
To the Field
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JUL 20 1936

The Honorable

The Secretary of State,

Washington.

DEPARTMENT OF STATE
JUL 8 1936
DIVISION OF NEAR EASTERN AFFAIRS

770.00/437

FILED
JUL 22 1936

Sir:

I have the honor to report that considerable attention has been given to a few plain words spoken by President Benes in the course of an interview accorded the political editor of the PARIS SOIR, Jules Sauerwein, at the close of the Little Entente discussions at Bucharest June 6th to 8th (please see my despatch No. 99 of June 12, 1936).

Mr. Benes' remarks centered about a stern warning to the world in general, and to France and England in particular, that the Little Entente had prepared itself against all possible eventualities and that if France and England should fail to fulfill their missions as the watchdogs of European peace, the Little Entente countries

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countries would rest secure in the assurance that, in case of need, aid would come to them from the East, i.e., from Russia. He stressed the point that any attack on a European country should henceforth be construed as an attack on Europe itself. "If," he said, as quoted in LE MOMENT (Bucharest) of June 15th, "France and England should be blind to the point of failing to comprehend their mission, the three States of the Little Entente have foreseen all contingencies. . . . The three states will defend themselves according to a common plan and in a spirit of perfect solidarity, in the spirit in which they share the armaments which they manufacture. Besides, they know that in any case the East will come to their aid with men and with arms."

1/ A full translation of the interview, as reprinted in the UNIVERSUL, No. 162 of June 14, 1936, is attached hereto.

Mr. George I. Bratianu, deputy and leader of the opposition branch of the Liberal Party, seized upon the reference to the East as the subject of a letter which he addressed on June 15th instant to the President of the Chamber of Deputies calling for an interpellation of the Government. Recalling the occasion a few months ago when the Government categorically denied his charges that provisions had been made for the passage of Soviet troops and munitions over Rumanian territory, he recited Mr. Benes' remarks as quoted above and went on to say: "If we add to these words the affirmation of a complete identity of views on all questions, to the point of declaring that 'wherever there is one of us all three

are

are present,' it is only logical to ask: By what road will the East send us 'men and arms' and does the pact of mutual aid concluded by Czechoslovakia with the U.S.S.R. likewise include similar obligations for Rumania?" Thoughtfully adding that he expected no reply, Mr. Bratianu then asked who had taken such engagements and who had assumed responsibility for them.

Respectfully yours,

Leland Harrison.

Enclosure:
1. Translation of interview President Benes accorded Jules Sauerwein of "Paris Soir" from reprint in UNIVERSUL, No. 162 of June 14, 1936.

710

t. Copy of despatch to Belgrade and Prague.

CKH/BFG

In translation from UNIVERSUL (Independent, nationalistic, anti-Semitic), morning daily, No. 162 of June 14,1936.

Enclosure No. 1 to Despatch No. 102 of June 17, 1936 from American Legation at Bucharest, Rumania.

FULL TRANSLATION

TREMENDOUS IMPORTANCE OF THE CONVERSATIONS AT BUCHAREST

...

Mr. Benes Declares that the Unity of the Little Entente is Perfect.

...

Paris 12 (Radio Central) - The French journalist, Mr. Jules Sauerwein, chief foreign political editor of the newspaper PARIS SOIR who visited our country recently and later accompanied the President of Czechoslovakia, Mr. Edward Benes, on his journey back, had the honor to obtain from the President of the neighbor republic a very interesting interview.

This is what Mr. Sauerwein has to say:

Czechoslovakia Does not Fear Germany

When Mr. Benes said to me, "We will know how to maintain Czechoslovakia," I recalled what he said during the War: "We will make Czechoslovakia."

"We are in the center of this quadrilateral," continued Mr. Benes, "which is being assaulted on all sides by over three million invading Germans. Sixty-five million Germans armed spiritually and materially might some day have the idea of conquering this fortress in their conquest of the wealth of the Near East."

Clenching his fist, looking into my eyes, and in a firm tone, the Chief of the Czechoslovak State said to me:

"I am not afraid. We have been here for many centuries and no one can remove us."

Mr. Benes emphasized these words with so much confidence that I almost blushed when certain doubts entered

entered my mind.

Certainly, Mr. Benes in those three days completed the program in agreement with Mr. Titulescu amd nothing was left undecided. Eighteen points were considered in the discussions. For each point a protocol was drafted and signed. Every eventuality was considered. In brief, the countries of the Little Entente are certain that they will not be the object of attack by any state if France and England make a definite statement that the aggressor, whoever he may be, must realize that a circumscribed conflict cannot exist in Europe and that anyone who attacks a European country attacks Europe itself, which is guarded by the two large Western democracies. But if France and England should be so blind as not to understand their mission, the three states have provided for every contingency. They will defend themselves according to a common plan in full solidarity, in the same spirit in which they share today the armaments they manufacture. Besides, they know that in any case the East will come to their aid with men and with arms.

"That which we have realized in our conversations," Mr. Benes told me, "greatly exceeds the results of all the preceding meetings of the three states. The Little Entente was not only confirmed and consolidated, but we also reached a complete identity of views on all problems and with regard to all states. We can say that from now on our policy is unified. Wherever there is one of us all three are present. When anyone negotiates with one of us he negotiates with all three, and when

he

he threatens one of us he threatens all three. At Geneva, as elsewhere, this unity will appear perfectly clear. Furthermore, we will make this apparent by practical results and by meetings of a technical order, beginning with the conference of the three Chiefs of Staff which opens at Bucharest in a few days."

To my question as to whether the future inspires concern, Mr. Benes replied:

"I await it with calm and serenity for three reasons: First, our internal unification is today complete and entirely satisfactory. Our collaboration with the minorities has not ceased to progress. Secondly, we are conscious of the certainty of our right. This sentiment gives great power to a people which is entirely peaceful and harbors no ambition, no hate against anyone. It gives the burning, fanatic will to defend ourselves to the end, against whomever it may be, to the point of death if necessary. Thirdly, the element of our confidence is that we are prepared. I do not at all believe in an imminent danger, but all measures of a financial, economic and military character have been taken.

"We have consecrated enormous sums to our national defense and, moreover, thanks to our war industries, we have been able to arm our allies, Rumanians and Yugoslavs. We have given an extremely powerful defensive organization to a people decided to do its duty under all conditions. In view of all this, I believe the alarm and concern in many countries are entirely exaggerated. Things are not as bad as one believes, unless you let

yourself

yourself be overwhelmed by sick imaginations. With some calm, good sense and intelligence, and if the Great Powers leave no doubt as to their intentions, I am convinced that peace can be saved.

"In any case, I carry away from my trip to Rumania a comforting impression. This country is making great progress, thanks to the systematic effort which its King has known how to orient and to conduct. Every branch of activity of the country is being better organized and the army, especially, impressed me most favorably."

LEGATION OF THE
UNITED STATES OF AMERICA

No. 541. Belgrade, June 23, 1936.

Subject: Conference of Chiefs of Staff of Little Entente States at Bucharest.

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DEPARTMENT OF STATE
ASSISTANT SECRETARY OF STATE
JUL 8 1936

JUL 8 1936

FILED
AUG 11 1936

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The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the Conference of the Chiefs of Staff of the three States of the Little Entente, which has been held at Bucharest, came to a close on the 17th instant.

The Chiefs of Staff of the Little Entente countries meet periodically, but special importance has been attached to this last conference following as it does so soon after the meeting of the heads of the Little Entente States at Bucharest. It was announced

that

that complete agreement was reached. Colonel Whitley, the Military Attaché of this Legation, reports that he understands that the work of the conference was to formulate plans for the even closer military cooperation of the three allies in case of war, which has been in general their policy since the foundation of the Little Entente.

Respectfully yours,

Charles S. Wilson

Charles S. Wilson

File No. 710.

CSW:HSB

DOCUMENT FILE

NOTE

SEE 740.0011-Mutual Guarantee (Balkan)/149 FOR #101

FROM Rumania (Harrison) DATED June 15, 1936.
TO NAME 1—1127

REGARDING:

Balkan Entente Press Conference. Mr. Titulescu spoke at the - with regard to the great power for peace reposing in the hands of the people of the two Ententes and emphatically declared that "here in the Balkans war will never break out?"

770.00/439

439

770.00

No. 101 Bucharest, June 15, 1936.

Subject: Balkan Entente Press Conference.

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that a conference of press delegates from the four countries comprising the Balkan Entente, Yugoslavia, Turkey, Greece and Rumania, was held at Bucharest June 11th to 15th last for the purpose of founding a Balkan press league.

The meeting, called under the presidency of the Director of the Press of the Rumanian Ministry for Foreign Affairs, Mr. I. Dragu, was a result of decisions taken at the time of the Conference of the Balkan Entente at Bucharest in May of last year to create, as phrased in a current issue of LE MOMENT (Bucharest), "a common organization uniting the

representatives

representatives of the Greek, Yugoslav, Rumanian and Turkish press with the aim of bringing about a still more marked rapprochement among the four friendly and allied peoples, as well as of mutually enlightening public opinion in matters of vital interest to them, whether political, economic, social or cultural." More bluntly, of course, Mr. Titulescu is simply endeavoring to whip the press into line to support him as fully as possible in his Entente programs and hopes that the "family reunion" idea involved in calling together representative journalists from each country, as well as the directors of the several press bureaus concerned, will serve this purpose.

Sole issue of the conference, aside from numerous orthodox speeches bearing frequent fond reference to "good old P.E.B. (Presse de l'Entente Balkanique)" and a few teas and dinners, was a statute of regulations reported in by a committee composed of one member from each delegation and promptly accepted by unanimous vote.

At the opening meeting of the conference, attended by the Chiefs of Mission of the three visiting countries as well as the various delegations, Mr. Titulescu spoke glowingly of the great power for peace reposing in the hands of the seventy million people of the two Ententes and declared that "here in the Balkans war will never break out!"

Another high spot in the program was a dinner given by the Rumanian Ministry for Foreign Affairs in honor of the delegates to the conference. Mr. Savel Radulescu, Undersecretary of State, presided on this occasion,

occasion, and in offering his toast remarked that "upon the press devolves the mission of intensifying and consolidating the work of rapprochement among the peoples of the Balkan Entente." At another point he said: "The Union of the press organizations of the States of the Balkan Entente, which you propose to create today, has as its aim the development and co-ordination of your efforts and the strengthening of the contacts among these press organizations. The statutes will define this organization, as well as its ends and its means."

The conference appears to have adhered to a normal tempo and style, accomplishing not much more and not much less than was expected, and its net result will probably not go beyond a possibly improved group morale among the members of an already closely tutored press.

Respectfully yours,

Leland Harrison.

A true copy of the signed original

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t. Copy of despatch to Belgrade, Athens and Istanbul.

CKH/EFG

DOCUMENT FILE

NOTE

770.00/440

SEE 871.00/500 FOR #572

FROM Yugoslavia (Reed) DATED Sept.1, 1936

TO NAME

1—1127

REGARDING:

Opinion expressed in Yugoslav press that the Little Entente has been weakened by the elimination of Titulescu from the Rumanian Cabinet.

Wi

No. 572. Belgrade, September 1, 1926.

Subject: Yugoslav Reaction to Cabinet Changes in Roumania.

865/00/128

770.02

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the general tone of Yugoslav reaction to the recent Cabinet changes in Roumania is one of more than ordinary surprise in the elimination of Mr. Titulesco, tinged with a certain amount of concern that the united front of the Little Entente has been weakened.

Much space in the Yugoslav press has been devoted to the Cabinet changes, the original impression that the affair was engineered to eliminate Mr. Titulesco

having

having gained considerable strength. In fact POLITIKA states that Mr. Tatarescо's avowed wish to form a purely party Cabinet does not satisfy public opinion and that there was no apparent reason why Mr. Titulescо could not remain at the head of the Foreign Office, especially now, "when times are difficult and his presence so imperative". Continuing, the journal quotes a Roumanian paper "Titulescо was a guaranty of Roumania's attitude toward its allies". In this last sentence may lie the crux of the affair - Titulescо was an obstacle toward any sort of a rapprochement with Germany due to his friendship and devotion to France and more lately to Soviet Russia. VREME, however, glosses over the external aspects of the Roumanian situation and stresses that "the Liberal Party represented by Tatarescо desired to assume full responsibility ... and to act through a homogeneous Liberal Cabinet. Titulescо not being a member of the Party had to be sacrificed". In the role of an apologist VREME endeavors to, but falls short of convincing non-partisan readers that Mr. Antonescо, capable though he may be, can readily assume Titulescо's role in Little Entente and European political circles. Regardless of the main theme of their editorials, whether pro or con the Tatarescо coup, the Yugoslav press universally regret any indication that such a gifted politician is about to "leave the stage" and express the hope that "his voice will again be heard in moments of European crises".

Reports of Mr. Tatarescо's and Mr. Antonescо's

utterances

utterances since the reformation of the Roumanian Cabinet are to the effect that the traditional Little Entente policy (pro League of Nations, anti-Anschluss, anti-Hapsburg restoration, anti-revision, et cetera) will be faithfully followed. But one may query, in this time of European flux and stress, whether the solidarity of policy and purpose of the Little Entente will be so staunchly maintained without Titulesco's sturdy inspiration. My Czechoslovak colleague, although of the opinion that the re-arranged Roumanian Cabinet will endeavor to follow the traditional Little Entente policy, has the same hesitancy in asserting that the policy will be so firmly pressed, expressing the belief of himself and of other interested friends of the Little Entente that Roumania may swing somewhat toward Germany, may show greater coolness toward Soviet Russia, and may thus weaken the often referred-to solidarity. He added that the elimination of Titulesco had, according to his reports, created more nervousness in Prague than in Belgrade - possibly because Yugoslavia had never established relations with Soviet Russia.

It is of course obvious that the Yugoslav Government, regardless of its official attitude toward the Roumanian situation, views with a degree of alarm any move which might modify the front of the Little Entente.

Respectfully yours,

Charles S. Reed II
Chargé d'Affaires ad interim.

File No. 710

CSR:HSB

A true copy of the signed original.

LEGATION OF THE
UNITED STATES OF AMERICA

No. 150 RECEIVED Bucharest, September 16, 1936.

Subject: Rumanian Press Comment on Meeting of the Permanent Council of the Little Entente at Bratislava.

DIVISION OF COMMUNICATIONS AND RECORDS

DIVISION OF EASTERN EUROPEAN AFFAIRS OCT 16 1936 DEPARTMENT OF STATE

DIVISION OF EASTERN EUROPEAN AFFAIRS OCT 19 1936 DEPARTMENT OF STATE

DEPARTMENT OF STATE OCT 21 1936 ASSISTANT SECRETARY OF STATE

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To the Field
In U. S. A.

770.00/441

The Honorable

The Secretary of State,

Washington.

DEPARTMENT OF STATE OCT 6 1936 DIVISION OF NEAR EASTERN AFFAIRS

770.00

FILED OCT 20 1936

Sir:

I have the honor to report that Rumania has received with general satisfaction the reports coming from Bratislava regarding the meeting of the Permanent Council of the Little Entente held there on September 13th and 14th last, virtually the entire press treatment sustaining a self-congratulatory vein in speaking of the newly affirmed "solidarity" and "identity of views" of the three Entente States. No particular keynote seems to have been struck, however, in the general chorus of

1/ acclaim which greeted the final communiqué, a copy of

which

which is enclosed herewith, stating that "the fundamental lines of the common (Little Entente) policy continue as they were defined and proclaimed at the last session of the Council held at Belgrade at the beginning of the month of May" (despatch No. 89 of May 15, 1936).

Most papers reproduce the Bratislava communiqué, but, beyond the usual expressions of gratification, confine the main body of their comment to "pointing out" or "noting" or "emphasizing the importance of" different passages rather than giving any particularly reasoned or considered analysis of their portent. There is considerable emphasis on the intensification of economic collaboration, more apparent behind the scenes in such matters as the distribution of oil products and other raw materials, the standardization of armaments, the improvement of communications and a general pooling of resources which manifestly contemplates the contingency of war, whereas such considerations as the renewed troth to an unmodified but strengthened League of Nations, the obvious warning to Hungary regarding the fait accompli form of remilitarization, the principle of non-interference in the internal affairs of other countries and the bold (Hodza) proposal for a Central European economic rapprochement drew merely apt phrases of approval.

Translations of representative extracts from the various columns of the Bucharest press dealing with the
2/ Bratislava conference form the second enclosure to this despatch.

Perhaps the newest and freshest note sounded at

the

the conference came in the voice of Rumania's new Foreign Minister, Victor Antonescu, who accompanied Yugoslav Premier Stoyadinovitch to Bratislava following the Bucharest conversations (despatch No. 760.71/62 148 of September 12, 1936), when he propounded the thesis of "love without jealousy". To the editor of LE MOMENT (Bucharest, French-language daily), who went to Bratislava to report the conference by telephone, he said:

> "Our conduct is to practice love without jealousy. If there is love between Czechoslovakia and Russia, Rumania must not be jealous. Likewise, if there is love between Rumania and Italy, Yugoslavia must not be jealous."

In a statement to the Stefani Agency he reiterated the same theme in more words:

> "Following this conference Rumania is going to resume the most friendly relations with the Italian statesmen and the closest relations with Italy, relations which have recently been a little lax.
>
> "On the basis of the formula which says that one is able to practice love without jealousy, Yugoslavia, from the lips of Mr. Stoyadinovitch, has declared that it can only rejoice in the resumption of good relations between Rumania and Italy, and that it hopes that these relations will be as admirable and as sincere as possible."

Rumania has held that she suffered an outstanding sacrifice in the application of sanctions against Italy and there has recently been no lack of indications that she desires as soon as possible to regain her important trade relations with that country. While the Foreign Office was headed by Mr. Titulescu, whose anti-Italian sentiments are well known, this end was difficult, if not impossible, of achievement, but now that he has been shelved the Rumanian Government is openly courting

a resumption of normal relations with the Fascist State. On the side of Italy, too, there are daily signs that such advances are not unwelcome.

At the close of the Bratislava conference Mr. Antonescu made a lengthy statement to the press devoted entirely to expressions of gratification at his reception in Czechoslovakia, praise for Mr. Benes, Mr. Krofta and Mr. Stoyadinovitch, and warm appreciation of the cooperation of the press.

A conference of the Little Entente of the Press (Petite Entente de la Presse) was also held at Bratislava, September 11th to 14th, and it has been announced that a meeting of the Economic Council of the Little Entente will be held in Bucharest in October.

870.911
870.50-Bucharest

Respectfully yours,

Frederick P. Hibbard

Frederick P. Hibbard,
Chargé d'Affaires ad interim.

Enclosures:

1- Translation of communiqué.

2- Translations of extracts from the press.

Copies to Belgrade and Prague.

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GKH:EMS.

(TRANSLATION)

Enclosure No. 1 to Despatch No. [illegible] dated September 16, 1936 from the American Legation, Bucharest.

FINAL COMMUNIQUE ISSUED AT CLOSE OF MEETING OF LITTLE ENTENTE AT BRATISLAVA, SEPTEMBER 14, 1936.

.....

The Permanent Council of the States of the Little Entente met at Bratislava on the 13th and 14th of September 1936 under the Presidency of Mr. Kamil Krofta, Czechoslovak Minister for Foreign Affairs.

1) Following a detailed examination of the general situation and of all the problems of special interest to the three countries, the Council noted that the fundamental lines of the common policy continue, as they were defined and proclaimed at the last session of the Council held at Belgrade at the beginning of the month of May. The three States persist in the decision to practice, with the most determined effort, the traditional policy of general peace and the policy for their own security. They remain, at the same time, firmly bound to the idea of pacific collaboration in the political and economic field and are prepared to work for the realization of this idea with all countries animated by the same good will.

2) One of the elemental principles of this policy continues to be for them the League of Nations. In spite of the difficulties through which the League of Nations is passing at the moment, the three states remain faithful to its principles, being convinced that the Institution at Geneva retains its importance as regards the durable regulation of the relations among states. For this reason, the three states declare their readiness to associate themselves only in an effort aiming to strengthen the authority of the League of Nations for the maintenance and organization of peace.

3) Regional pacts, which the Little Entente has recommended since 1921, constitute, in its opinion, an important element toward this end.

A new regulation of questions connected with the Locarno Pact will be the object of the special attention of the States of the Little Entente. The system of security thus established cannot, however, remain limited to the West, for such a partial solution would not in any way resolve the problem of general European security and would not, consequently, bring about the reconciliation indispensable to the economic reconstruction so needed in Europe and throughout the world.

The three States of the Little Entente have always urged the necessity of a system which completes the organization of peace. They maintain this point of view. As it is still uncertain whether this highly desirable result can be accomplished in a short time, the three states, without in the least departing from the principle which has always inspired their common policy, have decided to strengthen their security by uniting their

forces

forces more quickly and more effectively, while continuing with the other countries, naturally, the active relations and close cooperation which each of them has succeeded in establishing.

4) As for other countries, the three States will not cease in their efforts to maintain the best relations. This applies firstly to the adjacent States, with which they desire to entertain and to develop as much as possible relations of good neighborliness. The maintenance of this situation depends also on the attitude of those States. The countries of the Little Entente profoundly regret, therefore, that their relations with Austria suffered on account of the repudiation of the military engagements taken by the Treaty of Saint Germain. The procedure to which Turkey took recourse on the question of the Straits proves that there are methods other than that of fait accompli, which cannot but injure the good relations between states. On the other hand, the countries of the Little Entente, while expressing the hope that similar infractions of existing engagements will not occur, have agreed on the measures to take in such a case.

5) Taking into consideration the discussions with regard to the internal regimes of the different European countries, especially following the events in Spain, the States of the Little Entente emphatically declare, as they have emphasized on several occasions, that they continue to practice scrupulously the policy of not meddling in the internal affairs of any country. They would in no case tolerate the meddling of another country in their own affairs and in no question whatsoever concerning their internal policies, in the same way as they rigorously refrain from practicing, no matter what the circumstances, the policy of meddling in foreign countries. Thus they affirm the policy of respecting the internal regime of each country, for any other policy might further accentuate the tension among the different European countries.

6) Special attention was given by the Council to the question of extending economic relations within the Little Entente and the question of a rapprochement, in the same domain, with the other countries of Central Europe, the initiative for which was first taken by Mr. Hodza, President of the Czechoslovak Council.

The Economic Council of the Little Entente, which meets in Bucharest in the month of October, will examine the projects established by the experts, as well as other possibilities for the extension of economic relations within the Little Entente.

The Economic Council will have to occupy itself also with the question of economic rapprochement in Central Europe.

7) As the present institution of periodic conferences of the chiefs of the official press services has

given

given good results, the Council has decided to transform it into a permanent auxiliary organ of the Permanent Council of the Little Entente.

8) The next ordinary session of the Council will be held at Geneva on the occasion of the meeting of the Assembly of the League of Nations.

.....

In Translation.

Enclosure No. 2 to Despatch No. 130
of September 16, 1936 from the
American Legation, Bucharest.

EXTRACTS FROM THE BUCHAREST PRESS REGARDING THE BRATISLAVA CONFERENCE

VIITORUL (Government party's official organ), Sept. 15, 1936.

A thing which characterizes in a particularly happy manner this conference of the Little Entente has been the special attention given to the accord among all the States concerning economic cooperation and exchanges, always taking into account the directive principle, clearly exposed by Mr. Krofta in declarations made to the press, of not harming in any way the ties of friendship and the alliances concluded among the three countries.

It is thus proved that the political organism of the Little Entente is firmly decided to place itself in the service of peace and to do everything possible in order that the development and progress of European civilization may not be hindered or threatened by a policy of aggression or of provocation to war. The directing principle of the Little Entente has been the maintenance of peace and the desire to establish increasingly close ties in view of economic progress, the touchstone for general progress and social order.

..... Rumania is happy to be able to contribute to this policy of peace as a basic principle of the Little Entente, and through close alliance with other States to be in a position to safeguard her own interests as well as those of Europe, a thing which is only possible within the framework of a policy of peace.

The Bratislava conference is thus a manifestation of confidence and of peace, coming precisely at a moment which is heavy with anxiety regarding the system of international politics in Europe.

PREZENTUL (National Peasant economic organ), Sept. 16, 1936.

It is desirable to point out notably the decision to unify the monetary policy and questions of raw materials and railways; also it is well particularly to note the unified attitude of the Little Entente with regard to projects for the modification of the statute of the League of Nations, as well as regarding the re-armement of Hungary.

CURENTUL (anti-Semitic, subsidized by National Liberal Government, September 16, 1936.

Today when the League of Nations has experienced a series of setbacks, the Little Entente is preoccupied with its own security. The communiqué is marked from one end to the other with the meaning of this term "security".

Security

Security presupposes means of communication between the states of the Little Entente; the bridge across the Danube at Turnu-Severin; the supply of raw materials and of gasoline from Prague to Constanza, and from Cernauți to the Adriatic; armament and permanent strategical cooperation.

These are the things which have been decided at Bratislava. It must be pointed out that the Little Entente reserves its freedom of movement as regards all European states. Each state of the Little Entente is free to undertake a policy of rapprochement with any other state which guarantees is national frontiers, as they are defined in the Pact of the Little Entente.

.....

LE MOMENT (independent, in French), September 16, 1936.

..... Those who had hoped that Mr. Victor Antonescu would not be able to rise to the occasion in complicated situations have been deceived.

Read the communiqué: It differs in no way from its predecessors.

What has happened in the meantime that this communiqué should be no different from those which have been given at the end of other conferences?

Nothing, or almost nothing: Germany has re-armed twice; Austria and Hungary have armed themselves effectively without announcing it officially; the alliance of France with Russia and of Czechoslovakia with Russia has been strengthened; Mr. Titulescu has been dropped.

But the communiqué which was given today leads us to believe that the Little Entente remains cold and impassive in the face of these changes.

Why? Messrs. Krofta, Antonescu and Stoyadinovitch prefer to forget difficulties rather than to face them .....

When Messrs. Benes and Titulescu presided over the Permanent Council of the Little Entente they had the habit of confronting difficulties and the ambition to resolve them. Messrs. Krofta, Stoyadinovitch and Antonescu prefer to pass over them.

.....

UNIVERSUL (independent, nationalistic, anti-Semitic), September 16, 1936.

The allusion to reports which have circulated recently regarding the intention of Hungary to imitate the gesture of Austria is evident. But the statement

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in the communiqué that the three States have reached an accord as to the measures to be taken in this eventuality constitutes a warning to be reckoned with.

..... In general, it may be said that the actual session of the Council of the Little Entente has demonstrated how powerful this political organization is; how close are the ties among the States which compose it, and how essential is their action for the maintenance of peace.

.....

LE MOMENT, September 16, 1936.

From a reading of this communiqué it will be seen that the policy of the Little Entente remains "traditional", that is to say, that it will develop according to the principles already fixed by Messrs. Benes and Titulescu: Understanding with all countries, respect for the covenants of the League of Nations, economic collaboration, non-interference in the internal affairs of other countries, and a policy of general peace and security.

The men have changed; the expressions also; but the policy of the Little Entente remains just as it was, because it could not be otherwise without risking a neglect of the vital interests of the countries which compose it and of compromising their future.

.....

It goes without saying that Czechoslovakia will take a similar attitude towards the rapprochement of Rumania and Poland, and Yugoslavia as well as Rumania will place no obstacle in the way of a cordial understanding or even of an alliance between Czechoslovakia and the U.S.S.R., since, as the communiqué says, regional understandings have been looked upon with favor since 1921 by the Little Entente.

.....

Following the policy adopted at the conference of Bratislava, Rumania is on the eve of concluding also a contract for the sale of petrol to Czechoslovakia, a contract of the same sort as was concluded at Bucharest between Rumania and Yugoslavia.

This contract will be followed by the creation at Bucharest of a Czechoslovak-Rumanian Society, which will exploit, in the same manner as other similar societies, certain oil areas.

It has been decided to send a single type of gasoline and of oil to all the three countries of the Little Entente for use in the motorized units, which will likewise be of a single type.

.....

ADEVERUL

ADEVERUL (independent, democratic), September 16, 1936.

The session of the Permanent Council of the Little Entente, which terminated yesterday at Bratislava with the reading of a communiqué, is of very great interest to international polities.

In the tradition of the Little Entente the affirmation of solidarity has become a classic clause which corresponds so much to reality that it no longer needs explanation or emphasis. United by historic destiny, united for the maintenance of peace, united for defense, Czechoslovakia, Rumania and Yugoslavia cannot pursue amy other policy than that of union.

At the end of the discussions at Bratislava the Ministers for Foreign Affairs of the allied States, upon a detailed examination of the international situation, concluded that the fundamental lines of the common policy established at Belgrade last May must be maintained.

A confirmation of the communiqué at Belgrade is of exceptional importance. The political conditions last spring demanded a categoric demonstration not of solidarity on the part of the Little Entente, because it would have been superfluous, but of the unification of its political action. An organization of the Little Entente's importance, placed as it is today in Europe, called for a method of procedure looking to a realization, in all international fields, of am identity of interests, of attitude and of the position of the three States.

Strengthened in its position by this confirmation, the Little Entente was able to pass on to new questions in the international domain. The League of Nations was first considered. Pointing out, with every sense of reality and responsibility, that the League of Nations is passing through a grave crisis, the Ministers at Bratislava, however, were careful enough to insist upon the continued devotion of the Little Entente to the League. Nothing was said directly with regard to the modification of the Covenant, but it was strongly stated that the three States intend to adhere "only to efforts which aim to strengthen the League of Nations."

The second question examined was with regard to regional accords. Here the preparations for the restoration of the Locarno Pact especially holds one's attention. The Little Entente has declared that it looks with sympathy on these attempts by the Western chancelleries. But regional accords of this character "should not be limited to the West."

The creation of a new system of security must unfailingly encompass the entire continent. As peace is indivisible, so must security be general, and it cannot be imagined otherwise. By virtue of this

conception

conception the Little Entente sought to accentuate its will to collaborate in any sound formula for the consolidation of peace.

Much has been said on attempts made to bring about a détente. Utilizing the possibility of contributing efficaciously toward accelerating an action looking to a détente, the Little Entente affirmed in its communiqué that it seeks, in general, an amelioration of diplomatic relations with all powers.

It does not consider, however, that a détente can ever be obtained by the dangerous method of fait accompli, of unilateral denunciation of engagements, or by other direct maneuvers injurious to confidence among States.

The Little Entente, with the same vigor that it has always shown in behalf of peace, announced its readiness and preparedness in the face of attempts to modify either the statutes of peace or the juridical bases and the territorial limits of peace.

Stressing, in connection with the situation in Spain, the principle of non-intervention as its dogma, always and in all cases, the Little Entente terminated the political part of the communiqué.

In the economic domain, where very much was discussed and to some purpose, the three Ministers have decided to resume the efforts toward collective organization in Central Europe and the Danubian Basin, as was announced in the plan of Milan Hodza. The importance of this decision is very great as it is known that the plan of the Czechoslovak President of the Council has the adhesion, in principle, of France and Austria. We find ourselves, therefore, on a field whose consolidation has been begun and may continue with success.

These are the general lines of the communiqué at Bratislava.

The striking character of this session of the Little Entente is especially proved by the pondered tone, by the condensed force and the realistic conception of the decisions taken. In the political part, the phrases of the communiqué are of a clarity and of a precision that is rarely met with in diplomatic language.

Thanks to the sincerity and good faith with which it thinks, speaks and acts, the Little Entente reveals, before the whole world, its importance and its power. In the defense of peace and in the prevention of war, Czechoslovakia, Rumania and Yugoslavia united are and will be a homogeneous factor of strength and victory.

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LE MOMENT, Sept. 17, 1936.
(By telephone from Bratislava).

Mr. Antonescu has revealed himself here in the practical field as a perfect man of affairs, who before assuming the direction of the Ministry of Foreign Affairs had served a long period at the Treasury.....

President Hodza will soon submit for the approval of his Parliament a bill by which he will call for a credit of 12,000,000 Czech crowns, which will be invested in the war industries which will be created in the countries of the Little Entente.

Rumania and Yugoslavia will vote equally important credits. A great program of works will be inaugurated so that economic inter-dependence will render political alliances indispensable.

.....

LEGATION OF THE
UNITED STATES OF AMERICA

No. 588. Belgrade, September 20, 1936.

Subject: Meeting of Permanent Council of the Little Entente at Bratislava, Czechoslovakia, September 13 and ~~14, 1936~~.

DIVISION OF WESTERN EUROPEAN AFFAIRS
OCT 16 1936
DEPARTMENT OF STATE

DIVISION OF EASTERN EUROPEAN AFFAIRS
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DEPARTMENT OF STATE

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ASSISTANT SECRETARY OF STATE

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FILED
OCT 21 1936

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the meeting of the Permanent Council of the Little Entente which met at Bratislava, Czechoslovakia, on the 13th and 14th of this month seems to have been of exceptional importance, both from the political and the economic points of view, and to have again consolidated its members, which have recently shown some signs of disintegration, into a sort of composite great power. This was apparently caused by outside pressure due to the extremely

unsettled

unsettled political situation in Europe. Reports have been quite generally current that the enforced retirement of Mr. Titulesco, the Roumanian Minister for Foreign Affairs, had struck a severe blow to the unity of the Little Entente, and one of the important aims of the Bratislava meeting was to put an end to such reports, prove that this unity did not depend upon any one man, and show that there exists a firm alliance between the three States, independent of the men who might happen to represent them at any given time.

871.6363/346

The Legation in its Despatch No. 586 of September 15, 1936, has already reported concerning the preliminary negotiations between the Yugoslav and Roumanian Ministers for Foreign Affairs, at Bucharest, whereby the Yugoslav Army is assured of a supply of Roumanian oil, and which in general have consolidated their preparations for military cooperation. The Bratislav meeting has also had the effect of closing, for the time being at least, the rift which has been recently growing between Yugoslavia and Roumania and their great ally, France, to whom they must now probably turn for financial help for the reequipment of their military forces. In this connection a telegram to the semi-official Press Bureau "Avala", from Geneva, dated September 19th, states that "Mr. Subotitch (Yugoslav representative at Geneva), as well as Mr. Osuski and Mr. Antonesco, assured the French Minister for Foreign Affairs that the consultations at Bratislava have strengthened the bonds of the Little Entente. There can be no question of any isolated action by the members of

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the Little Entente, and even less question of any loosening of the ties between the Little Entente and France".

At the close of the Bratislava meeting an official communiqué was issued, of which the following is a summary of its chief points:

1. The Standing Council of the Little Entente (consisting of the Czechoslovak, Roumanian, and Yugoslav Foreign Ministers) reaffirmed the main lines of common foreign policy. The three States will continue to seek general peace while preserving their own security.

2. The League of Nations remains a chief factor in this policy. Notwithstanding the League's present difficulties, the three States remain true to its principles, believing that it retains its value for the durable regulations of international relations. They will support efforts to strengthen its authority in the cause of maintaining and organizing peace.

3. Regional agreements, advocated by the Little Entente since 1921, are a useful means to this end. The three States will closely watch the negotiations for a new Locarno Pact. Any system of security set up by it should not be limited to Western Europe, for such half-measures would not ensure general European peace or bring the tranquillization indispensable for the economic reconstruction of Europe and the world. The three States urge the necessity of arrangements that would complete the organization of peace; but as this result seems unlikely soon to be reached they have decided to coordinate more closely and more effectively their measures of self-protection.

4. They will continue to work for the best possible relations with other States, particularly neighbors, but this depends also on the bearing of these other States. The three States deeply regret that their relations with Austria should have suffered through Austria's repudiation of the military obligations of the Peace Treaties. The procedure followed by Turkey in the matter of the Straits shows that other methods are available than that of the fait accompli, which can only injure good relationships. The three States, while hoping that such infractions of existing engagements will not recur, have agreed on measures to be taken in the contrary event.

5. In view of current controversies about internal developments in various European countries, especially Spain, the three States plainly declare that they will continue scrupulously to refrain from interference in the internal affairs of any other country. They will not tolerate outside intervention in their own affairs in any question of their internal policy. Any other policy can only accentuate further the existing tension between various European countries.

6. Particular attention was given to the improvement of economic relations within the Little Entente and with other countries, and the Little Entente Economic Conference will discuss measures to this end in Bucharest next month.

The communiqué shows that the three States are desirous that any new Locarno agreement should not be confined to Western Europe and ignore Eastern Europe as they are convinced that peace is indivisible. They are also suspicious of any attempt which might be made to revive a concert of certain great powers which would arrange matters over the heads of the smaller States. The Council on the other hand affirmed its strong belief in regional agreements.

Paragraph IV of the communiqué, concerning measures which would be taken by the Little Entente against any new fait accompli, is a clear warning to Hungary not to follow the example of Austria and Germany about rearmament.

In the discussions of the Russian question which took place, I understand Yugoslavia maintained its unwillingness to enter into relations with Soviet Russia, but on the other hand agreed not to join any common front against Russia. This seems to have satisfied

Czechoslovakia,

Czechoslovakia, and Mr. Titulesco being no longer the director of Roumanian foreign policy, Roumania no longer pressed Yugoslavia to recognize Soviet Russia.

The Council expressed its fidelity to the League of Nations, and in discussing its reform agreed to oppose any changes which might increase the possibility of treaty revision at the expense of the smaller States.

Paragraph V of the communiqué declares that the Little Entente will not interfere with the internal regime in Spain nor in any other country, and this may perhaps be considered as a reply to Herr Hitler's declaration that Germany could not look on passively while Bolshevistic poison sinks into surrounding countries. This latter statement apparently refers to Czechoslovakia and caused some uneasiness in the minds of that country's allies. The Little Entente does not evidently wish to join a common front against either Bolshevism or Fascism.

Particular attention seems to have been paid by the Permanent Council of the Little Entente at Bratislava to economic questions which will be further discussed at the Economic Conference of the Little Entente which is to be held at Bucharest in October.

On the whole, the meeting of the Permanent Council of the Little Entente at Bratislava may be considered, I think, as one of the most important which it has held, and the alliance between the three countries has been renovated, strengthened, and consolidated.

In the Yugoslav press and public opinion, the work of the conference, and especially the role played by

Mr.

Mr. Stoyadinovitch at Bucharest have received nothing but most favorable comment. In this connection I have the honor to enclose herewith summaries of some of the Yugoslav press comment on this subject.

Respectfully yours,

Charles S. Wilson

Charles S. Wilson

Enclosure:

Yugoslav Press comment.

File No. 710

CSW:HSB

Enclosure to Despatch No. 588 of September 20, 1936,
from the American Legation in Belgrade.

RESUME OF ARTICLES FROM THE YUGOSLAV PRESS COMMENTING UPON THE MEETING OF THE PERMANENT COUNCIL OF THE LITTLE ENTENTE AT BRATISLAVA, CZECHOSLOVAKIA - SEPTEMBER 12,13, & 14,1936.

The POLITIKA, referring to the communiqué issued by the Council, says that the first part of this document refers to the communiqué published after the last conference of the Permanent Council of the Little Entente at Belgrade. This reference to these previous resolutions of the Council is symbolical and states precisely what cannot perhaps be said now at Bratislava. We see clearly that the political lines pursued up to now remain unchanged and that the Little Entente will continue its activity in the same direction, for its policy is not a temporary one, a policy of opportunism, but a stable one. When we state that the objects of the Little Entente remain what they have been, that emphasizes that we are not referring to the period between two sessions of the Council of the Little Entente but to a whole period of sixteen years of collaboration between Czechoslovakia, Roumania and Yugoslavia. The fidelity toward the traditional policy of general peace and security is, under present circumstances, fidelity toward itself. The Little Entente once again shows that it has adopted toward all nations and under all circumstances a common attitude. The Little Entente is also unanimous in its collaboration with all countries for the maintenance and organization of peace; it is also unanimously determined to defend its rights and its acquisitions.

The Little Entente, continues the paper, has not limited itself to the regional principles in which it originated, but has endeavored to work toward a broader community offering its hand for loyal collaboration to all those who are disposed to follow in this path. The article then emphasizes that if the League of Nations must be modified, it must be done only by strengthening the authority and methods of the Geneva institution. Concerning paragraph 4 of the communiqué, which deals with the relations of the Little Entente with other States, the POLITIKA points out that the Ministers did not neglect the occasion to express their regrets that Austria felt called upon to denounce a uni-lateral international treaty which it had signed. The POLITIKA considers that this represents also a warning to Hungary, which might wish to revise its military engagements fixed by the peace treaty, and introduce obligatory military service. If this should happen, the Little Entente would take the measures which these events might dictate.

The

The VREME writes that expectations have been realized. The meeting at Bratislava was carried on in perfect harmony in the views of the Ministers for Foreign Affairs of Czechoslovakia, Roumania and Yugoslavia. The joint communiqué issued by Ministers Stoyadinovitch, Antonescu and Krofta shows the scope of the questions which have been examined as well as the brilliant practical results obtained under the Presidency of Mr. Stoyadinovitch. If now, at the close of the fertile labors carried out at Bratislava we cast a look on the results of the Conference of the Ministers for Foreign Affairs of the Little Entente States, we shall note that two elements dominated this conference. The first is the economic element which is decisive, and the second is the political element.

The economic element had its prelude at Bucharest. It was the meeting of Mr. Tataresco with Dr. Stoyadinovitch which marks a stage in the course of which the Little Entente found the practical application of its diplomatic formulas and of its desires in the lives of our nations. This agreement between energetic men who do not have their heads in the clouds, was contagious to the conference at Bratislava. In the same spirit a series of agreements was realized which will improve the economic life of our countries. The President of the Czechoslovak Government, Dr. Hodźa, explained personally to the Ministers his plan of the economic collaboration of the Little Entente. This plan provides for the creation of three central offices at Prague, Bucharest, and Belgrade, offices which will direct the commercial exchange of the Little Entente on a much larger scale, thanks to the participation and collaboration of economic experts and competent business men. This economic plan which is now being actively studied, will find its practical conclusion at the October session of the Economic Council of the Little Entente. As to the political element, it is agreeable to note that Mr. Krofta reached at Bratislava the same conclusions as Mr. Stoyadinovitch at Bucharest; namely, that the foreign policy of the Kingdom of Roumania remains unchanged. The three respective Ministers, with their identity of views, their spirit of sincere collaboration, have preserved for the Little Entente at the session at Bratislava the prestige of a great power. After Bratislava we can still say to Europe, even in a more emphatic manner than before, that we represent a solid block of fifty million people. We can also say that over this block floats the flag of peace, that we demand nothing belonging to others, but that we shall defend energetically and without hesitation, like one man, what belongs to us. The idea of peace has been developed at Bratislava as a compliment to our common defense.

The NOVOSTI of Zagreb writes that the Permanent Council of the Little Entente has shown to all that this group has issued from this meeting stronger and more compact, and that all the maneuvers and attempts of certain enemies against this powerful formation of the Danube Basin have been in vain. The Bratislava conference had to deal with certain questions of first importance. All the problems which at present hold the attention of European Governments

were

were the subject of attentive examination. Especially concerning the Spanish question the Little Entente adopted a point of view similar to that of France. In fact one cannot conceive of any other, for there exists actually at Madried a legal Government which cannot be ignored and whose full legality cannot be denied.

The Little Entente also fixed its attitude towards plans for the reform of the Pact of the League of Nations. The Little Entente believes that this reform should endeavor to make the Covernant even more dfficacious. As to the security of Western Europe, it cannot be conceived of without being extended to include Central Europe.

The paper then points out that it has been announced that Italy intends to improve its relations with the Little Entente. The three countries have identic conceptions on this point, and it is the same concerning relations with Germany when this question shall be raised at Geneva. The States of the Little Entente will support each other in developing their relations with their neighbors.

The communiqué which has been issued, continues the paper, made a very good impression in all circles which desire a guaranty of security, and emphasis is laid upon the firmness with which the three Ministers declared the continuity of the policy of the Little Entente in the sense of the resolutions adopted at Belgrade at the time of the last meeting of the Permanent Council. The Council of the Little Entente has regretted that Austria has violated the military stipulations of the Treaty of St. Germain, but the three countries hope that such violations will not be renewed, in which case the Little Entente decided on measures which should be taken to protect its interests and security. For us, concludes the article, what is of importance is that in connection with the conversations at the Conference of the Permanent Council of the Little Entente we have also assured our petroleum supply.

DOCUMENT FILE

NOTE

770.00/443

SEE 867n.00/397 FOR Tel.412, 5 p.m.

FROM Geneva (Gilbert) DATED Oct.6, 1936

TO NAME 1—1127

REGARDING:

Jewish immigration to Palestine.

Czechoslovakia, on behalf of the Little Entente, supported Poland concerning policy of - in discussion in Sixth Committee of the League.

74819

LEGATION OF THE
UNITED STATES OF AMERICA

Prague, September 18, 1936.

No. 551.

Subject: Meeting of the Permanent Council of the Little Entente on September 13-14 at Bratislava.

770.00/444

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OCT 17 1936
DEPARTMENT OF STATE

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DEPARTMENT OF STATE

OFFICE OF ECONOMIC ADVISER
NOV 6 1936
DEPARTMENT OF STATE

FILED
NOV 7 - 1936

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the results of the meeting of the Permanent Council of the Little Entente, held in Bratislava September 13-14, inclusive, were set forth in an official communiqué, a free translation of which is enclosed herewith, upon the termination of the meeting on September 14.

The eight points covered in the communiqué reaffirm

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in large measure the conclusions reached at the last meeting of the Council at Belgrade on May 6-7, 1936. An effort was made at Bratislava, however, to lay particular stress upon the economic and political solidarity of the group, to create an atmosphere of complete understanding, and to give substance to the effectiveness of cooperation in matters of mutually vital importance in the light of present European conditions. For this reason the results of the recent meeting are regarded in local circles as conveying considerable importance and have not been classified in the rôle of pro forma enunciations of a periodic policy declaration.

The eight points fall under the following general headings: (1) Economic and peaceful collaboration of the States of the Little Entente with one another and with such other States as have indicated good faith in this regard; (2) Reaffirmation of the effectiveness of the League of Nations for the maintenance of peace; (3) Support of pacts of mutual security with the extension of such pacts to include Western Europe; (4) The desirability of cultivating cordial relations with States immediately neighboring on the frontiers of the States of the Little Entente and the condemnation of unilateral violations of Treaty provisions; (5) Non-interference in the internal affairs of another nation with the corollary that the States of the Little Entente will not countenance interference by a foreign State in their internal affairs; (6) Improvement in the economic relations between the States of the Little Entente and an economic rapprochement with the States of Central Europe; (7) Establishment of

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the Chiefs of the respective press sections of the States of the Little Entente as an auxiliary to the Permanent Council; and (8) Date of next Council meeting.

Of these eight points, Nos. 3 to 6, inclusive, merit scrutiny as having reference to matters of immediate concern to the States of the Little Entente. Point No. 4, for example, goes beyond the Belgrade declarations of May in giving expression to a desire to improve relations, wherever possible, with neighboring States not members of the Little Entente. In this manner the stamp of approval may be said to have been placed upon those measures taken to widen the circle of friendly intercourse, as in the case of existing relations between Rumania and Italy and as between Germany and Yugoslavia. Czechoslovak relations with Soviet Russia may also be regarded as "regularized" under the enunciation of this principle. On the other hand, as viewed from Prague, I cannot interpret this enunciation as an attempt to encourage Yugoslavia, for example, to enter into a non-aggression pact with Soviet Russia merely because of the fact that Czechoslovakia has done so for reasons of its own.

In fact the independence and freedom of action which is thus accorded to the three members of the Little Entente may, not immediately but in the long run, serve to weaken the political as well as the economic solidarity of the Little Entente which is now being stressed so strongly, particularly in Czechoslovakia. In any event it is an indication of a rather important change of base from that which previously existed whereby each member agreed to refrain from concluding agreements with another nation without the consent of the other two members of the Little Entente.

Moreover

Moreover, it is affirmed in the official communiqué (Point 3) that, in view of existing uncertainties in the international field, the Little Entente States have decided to "reinforce their security through more effective and closer cooperation," without explaining, however, in what respect or in what direction. While effective military assistance has been promised to Czechoslovakia in the event of an attack on the part of Germany, there is as yet no evidence that either Yugoslavia or Rumania are prepared to render such assistance or that the obligations which have been mutually assumed are limited to actions taking place within the limitations of the Danubian Basin.

There is every indication that the Little Entente countries have come to a complete understanding with respect to their relations to the other countries of the Danubian Basin. The reference to the Austrian violation of the St. Germain Treaty in the communiqué (Point 4) may be taken as a warning to Hungary that she must abide by the Treaty provisions to which she is bound, while the reference to non-interference in the internal affairs of a State (Point 5) would appear to be directed toward Germany in so far as Czechoslovakia is concerned and toward Soviet Russia in respect to Yugoslavia.

In official sources, however, the greatest degree of satisfaction is gained from the realization of the plan to establish a Central European Economic Center. This plan was proposed by Prime Minister Hodža (Point 6 of the communiqué), adopted by the Council of the Little Entente

Entente and the organization will begin its functions on October 1, 1936, with headquarters in Prague, under the direction of M. Vavřecka, former Czechoslovak Minister to Austria and at present General Manager of the Bata enterprises.

The establishment of this organization responds to a conviction that the interrelated economic problems of the Little Entente must be harmonized and integrated as a form of insurance and preparation for future contingencies. A step in this direction is recognized in the recently concluded agreement between Yugoslavia and Rumania whereby Rumania agreed to trade petroleum to Yugoslavia for certain raw products, notably copper. Czechoslovakia will undoubtedly participate in some phase of this arrangement and will thereby obtain a fuel, essential in war time, which is not available locally.

Respectfully yours,

J. Butler Wright.

Enclosure:
Translation of Official
Communiqué of Sept. 14,
1936.

710.
VC/BMB

Copies to American Embassy, Paris,
and to American Legations at
Belgrade and Bucharest.

Enclosure No. 1 to Despatch No. 551 of September 18, 1936, from American Legation, Prague.

(Translation)

OFFICIAL COMMUNIQUÉ

Issued at the Termination of the Meeting of the Permanent Council of the Little Entente, held at Bratislava on September 13-14, 1936.

- - - - -

(1) After a thorough study of the general international situation which is recognized as of special interest to the States of the Little Entente, the Council has unanimously agreed that the fundamental basis of the common foreign policy should remain as defined by the Council meeting last May in Belgrade.

The States of the Little Entente reaffirm their belief in this traditional policy to maintain peace and to protect their own vital interests. They firmly believe in the usefulness of peaceful economic as well as political collaboration and are prepared to share it with all other countries of good faith.

(2) Support of the League of Nations remains one of the basic pillars of this policy. Notwithstanding the existing difficulties encountered, the Little Entente countries still believe that the League is a medium of vital importance for the permanent adjustment of friendly relations between individual countries, and for this reason the Little Entente States declare that they are prepared to assist in efforts to strengthen the authority of the League of Nations for the purpose of maintaining and organizing peace.

(3) To accomplish this purpose, it is believed that the

the Regional Agreements which the Little Entente States have been advocating since 1921 will contribute an important element. The Little Entente States have duly considered all questions pertaining to the revision of the Locarno Treaty. They do not believe, however, that the proposed security system should be restricted to Western Europe alone, since they feel convinced that a partial solution would neither help solve the problem of European security, nor bring about the desired economic regeneration of Europe and the world in general. The Little Entente States have always believed and continue to believe that peace must be organized to the fullest extent. Since it appears very doubtful, however, that desired results will be reached within the near future, the States of the Little Entente have resolved, without departing from the principles on which their common policy has been based from the outset, to reinforce their security through more effective and closer cooperation. Each State of the Little Entente will continue to improve its relations with other States by active and close cooperation where the groundwork for such cooperation has already been established.

(4) In so far as other countries are concerned, the Little Entente States will endeavor to maintain the best possible relations, particularly with those countries which are immediate neighbors. The maintenance of such relations also depends, however, on the attitude of the other countries. It is with this in mind, therefore, that the Little Entente States deeply regret that relations with Austria have suffered on account of the latter's unilateral violation of the military clauses of the St.

St. Germain Treaty. The procedure adopted by Turkey respecting the Straits only proves that it is possible to apply methods other than the policy of "fait accompli" which only serves to injure good relations between countries. While trusting that another violation along these lines will never occur again, the States of the Little Entente have nevertheless unanimously agreed on measures to be taken for any eventuality.

(5) With respect to the consideration which is being given to existing internal régimes in several countries in Europe, mainly in consequence of recent Spanish events, the Little Entente States wish to reemphasize the following:

They are firmly determined to maintain a strict policy of non-interference in the internal affairs of a foreign country, nor will they tolerate under any circumstances interference on the part of any foreign country in their internal affairs or policies. Thus, they are resolved to respect the internal régime within any foreign country since they are of the opinion that a policy to the contrary would only intensify the tension existing between the various countries in Europe.

(6) The Permanent Council of the Little Entente States has given special attention to the possibility of improving economic relations within the Little Entente as well as of following the initiative taken by the Czechoslovak Prime Minister, Dr. Hodža, with respect to economic relations of the Little Entente with the other Central European countries.

The Economic Council of the Little Entente States, which will convene next October at Bucharest, will examine

amine the proposals which in the meantime shall have been prepared by experts as well as other methods which may lead to an expansion of economic relations.

(7) The Economic Council will also discuss the question of a possible rapprochement within Central Europe. In appreciation of the splendid work rendered by the periodical conferences of the press-chiefs of the Little Entente States, the Permanent Council has decided to establish these gatherings into a permanent organ to be attached to the Permanent Council of the Little Entente.

(8) The next session of the Council is to take place on the occasion of the meeting of the League of Nations Assembly at Geneva.

- - - - -

FJH/BMB

LEGATION OF THE
UNITED STATES OF AMERICA

Prague, September 25, 1936.

No. 556.

Subject: Question of Such Mutual Security as May be Assured by the Little Entente - Especially as Affecting Czechoslovakia.

770.00/445

The Honorable

The Secretary of State,

Washington.

Sir:

In various despatches during recent months I have had the honor to observe that signs have not been lacking that the Little Entente is being increasingly subjected to political, economic and military cross-currents which may soon subject the alliance to a supreme test of cohesion. I have ventured to express this opinion not only in connection with the value and degree of military

support

support which each member thereof might be able or willing to accord in any such program of collective security as that which was so vainly invoked during the recent friction between Great Britain and Italy, but also as a corollary to the question as to whether England or France or both would support Czechoslovakia by force of arms in case this country were attacked by any other power: the depth and strength of these currents will have been seen to be more manifest in the recent Little Entente meeting at Bratislava - which I discussed at some length in my despatch No. 551 of September 18, 1936.

770.00 | 444

I have long felt that the nature and value of Rumanian military support to this country might frankly be considered as almost nil, in view of the difficulties of transportation as far as infantry and artillery are concerned, while the same obstacles must be frankly admitted to exist with regard to any military aid to Czechoslovakia by Yugoslavia - unless, of course, cooperation of air forces is contemplated. It will also be recalled that over a year ago the Hungarian Military Attaché discussed with me at some length the danger to which his country might be subjected in case any of the members of the Little Entente should consider it expedient to seek transit through Hungary. I have also reported in my despatch No. 546 of September 5, 1936, that no well-informed person in either France or England believes that either country would actually resort to arms in the defense of Czechoslovakia, and well-informed opinion in this country now reluctantly admits that this is more than probable. Rumania being relatively remote from the

sphere

sphere of any concentrated military action, the only remaining factor is that of Yugoslavia - the position of which nation has, of course, been set forth by the Legation at Belgrade. The only comment of value which I am in a position at this moment to contribute in this connection is that expressed by several of my best informed colleagues at this post - the Austrian Minister among them - who have observed to me without reserve that this phase of the matter hinges beyond any vestige of doubt upon the rôle played by Italy - whether in her desire to offset the progress of German rapprochement with Yugoslavia, or to insist that Austria shall remain a buffer state between herself and Germany or, as they consider much more probable, a declared policy of creating an Italian-Austrian-Hungarian bloc to offset not only the Little Entente, but also Germany's plans in this region as well as those of France.

I have endeavored to set forth as accurately as my observation and sources of information will permit, the present situation of this country from a political, geographical, economic and military point of view, as well as the possible advantages (or liabilities) of its alliance with Russia; and I have been inclined - not without reason, I trust - to dismiss as relatively trivial the various permutations and combinations of alliances, pacts, agreements and other understandings which are alleged or rumored to exist and which afford inexhaustible nourishment for the amateur statesmen, the would-be international authorities and, above all, the editors of irresponsible and sensational newspapers in this part of the world.

The

The matter, however, has now been broached in so serious a vein by several of the most responsible journals in this country, that I believe their observations and the trend of their opinions should be brought to the attention of the Department, as well as to that of our Missions in the countries affected, in the hope that it may prove of some assistance in the appraisal of a very fluid and none too reassuring a situation:

The official press organ of the Czechoslovak Agrarian Party, the VENKOV, in recent comments entitled, "What is the extent of the mutual obligations assumed by the Little Entente States?", observed that all correspondents who were present at Bratislava are of the opinion that the Little Entente Conference has occasioned no surprise. While recognizing the various agreements reached between the Little Entente countries, mainly the one concerning the establishment of a Central European Economic Center within these countries, it emphasized the fact indirectly admitted - in its opinion - that any agreement regarding security restricted to Western Europe would fail to ensure peace in Europe in general unless supplemented by an Eastern and South Eastern security pact.

Continuing, it declared that the official communiqué expresses the pessimistic opinion that "as it appears doubtful whether or not such a general agreement will be concluded within the near future, the Little Entente States have resolved or have decided on a still closer and still more effective concentration of their power." Regretting that the communiqué fails to explain the form or nature of this concentration, it added that in

Czechoslovakia, public opinion at any rate is anxious to learn whether Yugoslavia and Rumania are also prepared to render effective assistance, as assured by France, to Czechoslovakia in the event of an attack on this country by Germany, for example. It observed that none of the statements heretofore issued by the Little Entente States has offered a precise explanation of this matter to the Czechoslovak public - whether the Little Entente was established for all possibilities or whether it is restricted to a few only and, in conclusion, expressed the belief that the agreements reached at Bratislava are such as to induce Czechoslovakia to seek her own way toward closer cooperation with other countries.

On the 18th instant, the VENKOV, adverting to the above mentioned "enquiry," declared in an article entitled, "An unsatisfactory reply to a naive question," that the question advanced has not met with the approval of two newspapers: the Czechoslovak Social Democrat PRAVO LIDU and the clerical LIDOVÉ LISTY.

The PRAVO LIDU in its comment, wrote:

> "In the first place, there is the Pact of the League of Nations. In the event of an attack by Germany, the League either would or would not decide to apply sanctions against the aggressor. In both instances, however, the other two members of the Little Entente would render us military assistance, because the Little Entente was not established merely against (Hapsburg) restoration, but also for the purpose of mutual assistance

against

"against any aggressor who should decide to attack any one of the three member-States of the Little Entente."

The LIDOVÉ LISTY, on the other hand, stated that anyone should know that the obligations assumed do not extend as far as that: i.e., that Czechoslovakia is not bound in the event of a conflict between Yugoslavia and Italy, or one between Rumania and Russia, nor would Yugoslavia and Rumania be bound toward Czechoslovakia in the event of a conflict between the latter and Germany. For this very reason Czechoslovakia concluded a separate treaty with France and one with Soviet Russia, Rumania one with Poland, and Yugoslavia has protected her interests through the Balkan Pact and her policy toward Germany and England, while the Little Entente Pact offers mutual protection to the partners against Hungary.

760H.00

Thereupon, the VENKOV, in commenting on these two explanations and considering the latter as more sound and precise, stated that it considers it advisable to acquaint the local population with the consequences. It said:

"We note that in the event of an attack on Czechoslovakia on the part of Germany, only France and the USSR would automatically come to our assistance: thus, none of our neighbors with whom we have frontiers in common. Being laymen in these matters, we fail to understand which of the two armies in question could help our army in the first attack against Czechoslovakia. While we believe and trust in the

efficiency

"efficiency of our army, we are of the opinion that human lives should not be sacrificed unnecessarily. We also know that Rumania has a treaty with Poland in case of an attack by the Soviets and, as the result of common fronts, may arrange contacts immediately. The same applies to Yugoslavia, as the result of arrangements arising from the Balkan Pact. But how is France going to help us from the very beginning, since we know that the French Army is hidden behind fortifications impenetrable from either side? With this point in view, we know only too well that French assistance may be of defensive, but never of offensive, character. And how do matters stand with Soviet Russia? Will Rumania permit contact between the Soviet and Czechoslovak armies? And if so, is a narrow strip of land suitable for the transport of the Russian army to us? These are the 'naive' questions of a common Czechoslovak citizen who refuses to be content with the simple assurance that Czechoslovakia has the protection of a State with a population of 160 millions and which probably is prepared to help us in the first stages of a conflict by means of her air forces, realizing that the would-be enemy could attack us in a like manner.

"We have not failed to appreciate the significance of the Little Entente and the importance of the recent conference. All of that does not mean, however

"however, that we must overlook the fact that we do not have any allies along our frontiers. It is well to trust in the League of Nations but, after having watched the Abyssinian conflict, only die-hard optimists can afford to believe in its automatic functioning. The Czechoslovak Socialists and Clericals will probably assume that we are opposed to the League of Nations: that is not the case. We are not inclined, however, to overestimate the importance of that Institution. We simply take into consideration the fact that the agreements recently reached at Bratislava permitting the individual members of the Little Entente to conclude agreements with third parties - with the consent or toleration of the other two allies - also empowers Czechoslovakia to intensify the activity of her foreign policy with regard to relations with her neighbors. French and Soviet assistance might be of value in the later stage of a conflict, but what we actually need is help from the very beginning.

As the point of view of one coalition press differs from another, we are convinced that our enquiry was not as 'naive' as it would appear."

The keen LIDOVE NOVINY, in its comments on the VENKOV articles, wrote under date of September 23rd, as follows:

"The VENKOV assumes that we have misinterpreted or misunderstood its statements regarding the Little Entente, as it meant to say that Yugoslavia and

Rumania

"Rumania will automatically help Czechoslovakia in the event of a Hungarian attack, but that according to the Little Entente Pact Czechoslovakia could not count on Yugoslavia and Rumania in the event of a conflict between Czechoslovakia and Germany. Since our alliance with the other Little Entente States insures us, in the opinion of the VENKOV, against Hungary only, that paper recommends an expansion of our alliances to our neighbors.

"While we are willing to take due notice of such an explanation and recommendation, we still fail to find an answer to our question, and are compelled to ask once more:

"Whom has the VENKOV in mind when speaking about our neighbors? Who - after discounting Rumania with whom we already have concluded a treaty for such purpose - would be willing to conclude with us a treaty for mutual military assistance against a possible aggressor? Is it Germany, or Austria, or Hungary, or Poland? We shall be very thankful to the VENKOV for telling us who wishes to become such an accommodating partner. The matter is delicate. We look forward to a precise answer!"

In its issue of today the VENKOV - which has consistently advocated increased efficiency of the Army and adequate fortifications, provided no agreement can be reached with Germany which would render such action unnecessary - observes that as a result of its efforts the population of this country now realizes that neither

Yugoslavia

Yugoslavia nor Rumania is under obligation to accord military assistance to this country in case of a conflict with Germany and, further, that several weeks must elapse before France would be able to complete the mobilization which would enable her to render any effective assistance to Czechoslovakia. Meanwhile - the paper continues - the German army could occupy both Bohemia and Moravia, unless the Czechoslovak forces were able to repel such an attack, at least until French mobilization could take place.

As an illustration of its advocacy for the immediate erection of modern fortifications similar to those of France and Germany, the paper closes its appeal by the observation that the incident of the Alcazar in Spain is particularly opportune in demonstrating to the people of this country the position in which the nation finds itself. The exhortation is at least of value in demonstrating that the journal in question is not in favor of the present government in Spain, notwithstanding whatever interests in common that government and the government of Czechoslovakia may have with the Soviets.

Respectfully yours,

J. Butler Wright
American Minister,

800-Little Entente/820

JBW/BMB

Copies to Embassy, Berlin;
Legations at Belgrade
and Bucharest.

770.02

DOCUMENT FILE

NOTE

SEE 755.00/30 FOR Tel. #38, 10 a.m.

FROM Yugoslavia (Reed) DATED Oct. 17, 1936
TO NAME

1—1127 GPO

REGARDING: Belgian statement of neutrality received with great surprise not unmixed with apprehension as to security of Little Entente.

mb

770.00/446

U

GRAY

Belgrade

Dated October 17, 1936

Rec'd 7 a.m.

Secretary of State

Washington

38, October 17, 10 a.m.

Belgian statement of neutrality received with great surprise not unmixed with apprehension as to security of Little Entente. Official attitude is reserved until an interpretation of the statement is obtained but unofficially pessimism is expressed.

REED

CSB

DOCUMENT FILE

NOTE

SEE 762.65/241 FOR Tel. 434- 11am

FROM Italy (Phillips) DATED Oct. 27, 1936
TO NAME

1—1127 OPO

REGARDING: Germany's interests in the Danube are obvious as are the interests of Italy who is restoring to normalcy and cordiality, her relations with the Little Entente countries also.

770.00/447

fp

LEGATION OF THE
UNITED STATES OF AMERICA

No. 608. Belgrade, October 21, 1936.

Subject: Economic Council of the Little Entente.

770.00/448

FILED

RECEIVED
DEPARTMENT OF STATE
1936 NOV 5 AM 11 57

DIVISION OF TRADE AGREEMENTS TA NOV 13 1936 DEPARTMENT OF STATE

OFFICE OF ECONOMIC ADVISER NOV 12 1936 DEPARTMENT OF STATE

DEPARTMENT OF STATE NOV 4 1936 DIVISION OF NEAR EASTERN AFFAIRS

DIVISION NOV 24 1936 DEPARTMENT OF STATE

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report the 8th meeting of the Economic Council of the Little Entente at Bucharest from the 12th to the 18th of October, 1936, and to summarize the official communiqué which was issued at the close of the session:

Commercial Relations.

The Committee for Trade studied various economic plans and the possibility for their application. There was an exchange of views on the possibility of strengthening trade relations. It was decided that negotiations between Roumania and Yugoslavia, with respect to trade,

domicile,

domicile, and shipping (to replace the present economic agreement), should begin in November of this year.

The Hodja Plan.

The Committee for Economic Collaboration of the States of the Danube Basin examined the protocol elaborated by economic experts at Prague in July of this year and, with this as a basis, took steps for its realization.

Abolishment of Visas.

Roumania concluded two agreements, with Yugoslavia and with Czechoslovakia, for the abolishment of visas, to become effective on January 1, 1937.

871.111
860F.111
860H.111

General Collaboration.

The Council examined and adopted the conclusions arrived at in the eight committees of experts who had convened immediately prior to the Council meeting. From the reports of these committees it would appear that notable progress has been made in all fields of collaboration: export standardization, agricultural education and propaganda, cooperation between railways, cooperation in the field of medicine and social hygiene, et cetera.

Navigation of the Danube.

The river services of the States of the Little Entente have worked out a program which will create a more efficient collaboration. It provides among other points for the employment of personnel of companies of one State in the territory of the other two States, for the simplification of customs formalities, and for the abolishment of taxation of enterprises by more than one State. The Council also concurred in the convention concluded between the various navigation companies as to the division of traffic.

870.4

Postal

Postal Union.

The creation of a Postal Union and a Union for "Telecommunications" between the States of the Little Entente, Greece and Turkey was realized; the reduction of telegram charges was forecasted; and it was decided to issue special stamps, bearing the emblem of the Little Entente, on March 1, 1937.

571.E1

Tourism.

Plans were formulated for tourist propaganda through the media of printed matter, films, newspaper articles, radio, et cetera. The tourist agreement between Roumania and Yugoslavia, negotiated at Bled in July of this year, was signed.

871.111
860H.111

Exhibitions.

A tourist exhibition of the Little Entente was held in May, 1935, in Bucharest - the joint participation of the States of the Little Entente at the Paris Exhibition of 1937 is now provided. In addition, Roumania will participate in the Prague Fair.

870.111

Various Meetings and Agreements.

The Governors of the National Banks of the States of the Little Entente will meet for the second time in November of this year at Prague. Aviation experts of the three States will also meet before the close of the year. An additional agreement, supplementing the agreements of September 1934 and February 1936, between the Postal Savings Banks of Czechoslovakia and Roumania, was concluded on October 10th.

860F.717
871.717

Social

Social Insurance and Other Matters.

An agreement relative to social insurance was concluded at Prague between Czechoslovakia and Yugoslavia. Very considerable results were achieved in the field of railway communications (standardization of equipment, simplification of documents, et cetera).

760 F.60 H

Chambers of Commerce.

It was decided to hold a Congress in Yugoslavia of the various Chambers of Commerce of the three States in February 1937. The next session of the Economic Council will be held on February 15, 1937.

With the meager information which is available at Belgrade concerning the work of the Economic Council of the Little Entente, it is difficult to evaluate the concrete accomplishments of the eigth meeting of the Council. However, from the communiqué it may be ventured that progress has been made chiefly in rationalizing and simplifying inter-state communications such as railways, river services, posts and telegraphs. It would also appear that each successive meeting of the Council deals more with actualities than with theories of collaboration. If this can be carried forward the economic unity of the Little Entente can be realized - but the currency factor, the future of the lei and the dinar, cannot be overlooked at this time of monetary readjustment.

Respectfully yours,

Charles S. Reed II
Chargé d'Affaires ad interim.

File 710. - Quintuplicate.

CSR:HSB

LEGATION OF THE
UNITED STATES OF AMERICA

Prague, October 22, 1936

No. 577.

Subject: Meeting of the Economic Council of the Little Entente at Bucharest.

770.00/449

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that a meeting of the Economic Council of the Little Entente was held at Bucharest from October 12 to October 18, 1935, inclusive. According to the information which I have been able to obtain the more important results of the Council meeting fall under the following headings:

1. Abolition of visas, effective January 1, 1937, between the countries of the Little Entente.

2. Decision to establish a Postal, Telegraph and Telephone Union which would also include Turkey and Greece.

Greece. The first step in the establishment of the Union is to be the concurrent lowering of telegraph rates.

3. An agreement on a concrete plan for the establishment of a Commission for economic cooperation within the Danube basin, as outlined by Prime Minister Dr. Hodža.

4. A definite program drafted for cooperation between the three export institutes and railways, and for the unification of agricultural education and inter-tourist facilities.

5. A concrete program for closer cooperation between steamship companies operating on the Danube, for the simplification of customs formalities and the abolition of dual taxation.

The following forthcoming conferences were also agreed upon at the meeting of the Economic Council under reference:

1. Aeronautical experts of the Little Entente to convene before the end of the calendar year.

2. Governors of the three respective National Banks to meet during the month of November, 1936, to consider cooperation between banks of issue.

3. Representatives of the three Chambers of Commerce to confer at Bucharest in March, 1937.

4. Next meeting of the Economic Council to be held on February 15, 1937.

I am transmitting this report on results achieved at the Bucharest meeting of the Economic Council only in summarized form as I believe that the Legation in Bucharest will

will be in a better position than I to provide you with a detailed account of the proceedings and to furnish you with the official text of the communiqué issued at the termination of the meeting.

Respectfully yours,

J. Butler Wright

Copy to the American
Legation, Bucharest.

VC/CCP

DIVISION OF TRADE AGREEMENTS TA DEC 9 1936 DEPARTMENT OF STATE

LEGATION OF THE
UNITED STATES OF AMERICA

Prague, October 20, 1936.

No. 573

Subject: Economic Bureau.

DIVISION OF WESTERN EUROPEAN AFFAIRS NOV 17 1936 DEPARTMENT OF STATE

DIVISION OF EASTERN EUROPEAN AFFAIRS DEC 5 1936 DEPARTMENT OF STATE

DEPARTMENT OF STATE NOV 18 1936 DIVISION OF NEAR EASTERN AFFAIRS

A-C/C RECORDING DESK FILE - WHB

DEC 1 - 1936

OFFICE OF ECONOMIC ADVISER DEC 8 1936 DEPARTMENT OF STATE

DEPARTMENT OF STATE A-C/C NOV 30 1936 ASSISTANT SECRETARY OF STATE

FILED DEC 18 1936

770.00/450

The Honorable

The Secretary of State,

Washington.

Sir:

770.00/447

With reference to my despatch No. 551 of September 18, 1936, I have the honor to report that the Economic Bureau which Prime Minister Hodža advocated on the occasion of the meeting of the Permanent Council of the Little Entente on September 13-14 at Bratislava was established at Prague on October 17, 1936. It is organized in the form of a Limited Liability Cooperative Society with an announced purpose to improve, organize and promote economic relations in the Central European area. The Bureau is composed of two chairmen - Ing. Hugo

Vavřečka

Vavřečka and Dr. Josef Vaněk (secretary-general of the International Chamber of Commerce) - two substitutes, a board of directors and an advisory board whose members were chosen from Czech, Slovak and German industrial and banking circles.

At the opening meeting of October 17, attended by the Prime Minister, Ing. J. Dvořáček, the chairman of the Advisory Board and one of the managing directors of the Živnostenská Bank indicated that the Bureau would commence its work the week of October 19. His further remarks together with those of the Prime Minister were phrased to suit the occasion and in a general way expanded, without specific detail, upon the purposes for which the Bureau is established, as mentioned above, in terms of the Little Entente and the countries of the Danubian basin.

Although the organization of the Economic Center is still at its formative stage, it is understood that the above mentioned Bureau representing the Czechoslovak State will make recommendations from time to time to the Economic Council of the Little Entente and that this latter body, after examining the recommendations submitted by groups in Rumania and Yugoslavia similar to the one established in Czechoslovakia, will co-relate these several recommendations into a procedure mutually beneficial to all concerned.

Respectfully yours,

J. Butler Wright.

VC/EJ
710/850
Copy to Bucharest and
Belgrade.

LEGATION OF THE
UNITED STATES OF AMERICA

No. 170 Bucharest, November 2, 1936.

Subject: Rumors Regarding Adoption of "Neutrality" Policy by Little Entente States.

DEPARTMENT OF STATE
RECEIVED
NOV 18 1936
DIVISION OF
COMMUNICATIONS AND RECORDS

DIVISION OF WESTERN EUROPEAN AFFAIRS
FEB 11 1937
DEPARTMENT OF STATE

770.00/451

DEPARTMENT OF STATE
A-C/C
FEB 12 1937
ASSISTANT SECRETARY OF STATE

770.00/11
770.00/111
771.00/111

DEPARTMENT OF STATE
NOV 19 1936
DIVISION OF
NEAR EASTERN AFFAIRS

FILED
FEB 16 1937

The Honorable

The Secretary of State,

Washington.

Sir:

Following the stir created by King Leopold's address to his Council of Ministers on October 14th last, wherein he consecrated future Belgian foreign policy to a form of neutrality reminiscent of the old pre-war system, there sprang up a crop of rumors regarding the possible adoption of a similar policy by the States of the Little Entente which have drawn, I have the honor to report, nothing but cries of denial from the Rumanian press.

At the time when denials of "neutrality" leanings

were

were issued in Belgrade and Prague, Rumanian Prime Minister Tatarescu was in Belgrade and no official notice of the rumors was taken here. Practically the only proponent of a new orientation of Rumanian policy in the direction of neutrality status is George Bratianu, leader of the dissident branch of the National Liberal Party, who claims that in this regard his views are shared by Vaida Voevod, head of the Frontul Romanesc. According to the DIMINEATA (Bucharest, October 29 and 30), Bratianu, who is reported to have stated to the Geneva Press Service that "in the conflagration that is to come Rumania must remain neutral", has been expounding his ideas in his own newspaper MISCARIA, but as reproduced they sound less like "neutrality" than a glorified entente system embracing all "satisfied" countries, from the Adriatic and the Black Seas to the Baltic, and do not deserve to be confused with the Belgian conception.

Enclosed herewith is a translation of a few ex-
1/ tracts appearing in Bucharest newspapers which are believed to typify Rumanian opinion regarding the "neutrality" idea as far as this country or the Little Entente is concerned.

Respectfully yours,

Leland Harrison.

Enclosure:
1- As stated.

710.
t.

CKH:EMS.

Copies to Belgrade and Prague.

Enclosure No. 1 to Despatch No. 70
dated November 2, 1936 from the
American Legation, Bucharest.

In Translation.

EXTRACTS FROM BUCHAREST PRESS
REGARDING RUMORED ADOPTION OF NEUTRALITY
BY LITTLE ENTENTE STATES

ADEVERUL (independent, democratic) No. 16183,
October 25, 1936.

Using the Belgian King's recent speech as a pretext, dangerous and unscrupulous propaganda is being spread with a view to creating in different states, especially in the States of the Little Entente, a current in favor of neutrality, which would lead to a revision of their present policies and to the dissolution of the alliances on which the Little Entente is based.

As in the action against the Franco-Soviet Pact, the propaganda started in the countries of the Little Entente in favor of a policy of neutrality----we are not considering here whether it would be at all possible----has only one aim: that of isolating France, of separating her from that system of alliances which assures security to all and peace on the continent.

To add coal to the fire of this propaganda, it is pointed out that the leaders of these countries desire and have even agreed to such a policy, and one day it is said that Czechoslovakia, another day that Yugoslavia, and another day that Rumania is ready to change its present policy.

Such rumors have been categorically denied in a communiqué of the official Government organ at Belgrade, where Mr. Tatarescu has spent a few days.

While this denial was made at Belgrade, Mr. Krofta at Prague, before the two parliamentary Commissions for Foreign Affairs, made the position of Czechoslovakia clear, and this position corresponds to the denial made at Belgrade.

.....

No other attitude is possible, as the most elementary and superficial judgment should reveal that the slightest deviation from the traditional policy of the Little Entente would lead to the gravest dangers.

One thing must not be forgotten. The isolation of France, which is being sought through this interested propaganda, would signify the immediate isolation of the States of the Little Entente and Rumania would find herself surrounded by enemies and those indifferent to her fate.

Rumania is therefore not even thinking of doing

such

such a thing and she continues to remain closely bound to her allies, as will be brilliantly pointed out at the time of the King's visit to Prague.

LE MOMENT (independent, in French), October 26, 1936.

The declarations made to the Press simultaneously by Mr. Milan Hodza, President of the Czechoslovak Council, and by Mr. Stoyadinovitch, President of the Yugoslav Council, leave no doubts.

"The situation of the States of the Little Entente can in no way be compared with that of Belgium", said Mr. Stoyadinovitch.

"It would not be possible to follow the example of Belgium", said Mr. Hodza.

PREZENTUL (National Peasant economic organ), October 29, 1936.

When the press of the Little Entente, following the speech of Mr. Hodza before the Commission for Foreign Affairs of the Czechoslovak Chamber, declared that the situation of the three states is different from that of Belgium and that there could be no reason for a similar attitude in Central and Eastern Europe, it confirmed the permanent character of the system of relations on which the foreign policy of the tripartite entente is based.

DIMINEATA (independent, democratic), November 2, 1936.

All this activity of Germany in detriment to the League's authority forced Belgium to declare partial neutrality. (We believe even that the disturbances in France of a somewhat communist character during the last Government were also a result of German influence.)

Germany, encouraged by the attitude of Italy, who, in the interest of her action in Africa, had opposed the views of the League of Nations, and encouraged also by the hesitation of England, spread her propaganda in favor of neutrality in the smaller countries, especially in those countries where German people reside in larger numbers, or where there are Germanophile political parties. Germany's object is to disrupt the League and replace it with a pact of the greater powers, excluding Russia.

This policy has not succeeded up to the present except, only formally and partially, in Belgium. Poland reconsidered her decision of neutrality.

There is neutrality propaganda also within the Little Entente, but neutrality for this group is an impossibility, as has been clearly shown in the conversations at Belgrade, Bratislava, Bucharest and now at Prague.

.....

DOCUMENT FILE

NOTE

770.00/452

SEE 871.001 Carol II/121 FOR #171

FROM Rumania (Harrison) DATED Nov.3, 1936

TO

NAME

1—1127 O.F.O.

REGARDING:

Policies and solidarity of the Little Entente commented upon in connection with visit of King Carol to Czechoslovakia.

254

Wi

DEPARTMENT OF STATE

DIVISION OF NEAR EASTERN AFFAIRS

Dear George Moore

I think you may

be interested in

ASSISTANT SECRETARY OF STATE
NOV 16 1936
MR. MOORE

To Bucharest, Belgrade, Paris, Berlin, Prague, Vienna, Rome + Moscow 12/2/36 M33

DEPARTMENT OF STATE

DEPARTMENT OF STATE DEC 2 1936 DIVISION OF NEAR EASTERN AFFAIRS

DIVISION OF NEAR EASTERN AFFAIRS

ASSISTANT SECRETARY OF STATE NOV 14 1936 MR. MOORE

November 13, 1936.

Memorandum of Conversation between Mr. Murray and Mr. Davila, Minister of Rumania.

DIVISION OF COMMUNICATIONS AND RECORDS DEC 9 PM 00 RECEIVED DEPARTMENT OF STATE

770.00

770.00/453

The Rumanian Minister called to see me this morning after several months absence from his post and had many interesting observations to make regarding the present political situation in Europe.

Of particular interest was Mr. Davila's reference to the discussions which took place at the last meeting of the Little Entente Council at Bratislava. It appears that a vigorous, but unsuccessful, effort was made at that time by the Czechoslovaks to convert the Little Entente into an alliance for mutual defense against attack from whatsoever quarters. The Little Entente was, as is well known, set up for the primary purpose of blocking the Hungarians in any attempt they might make to regain territories lost to their neighbors as a result of the World War and, secondarily, to nullify any attempt to restore the Hapsburg dynasty. The Czechs are of course at the present time greatly alarmed over developments in Germany and wish to obligate the Yugoslavs and the Rumanians to come to their assistance in case of a German attack. The Bratislava meeting of the Little

FILED DEC 10 1936

Entente

Entente Council resulted in the complete failure of the Czechs to obtain their end. The Minister stated that the Rumanians are neither willing to undertake any commitments to fight against Germany in case of an attack on Czechoslovakia nor against Italy in case Yugoslavia is attacked.

The Bratislava meeting, furthermore, emphasized the difference of viewpoint between the Czechs on the one part and the Rumanians and Yugoslavs on the other part respecting a Hapsburg restoration. While the Czechs are for obvious reasons inalterably opposed to the Anschluss and would much prefer the Hapsburg restoration if no other alternative is afforded, both the Rumanians and the Yugoslavs have become reconciled to the idea of Anschluss but are still bitterly opposed to the idea of a Hapsburg restoration.

Further dissension arose among the Little Entente members during the Bratislava meeting with respect to their Russian policy. The Czechs, being now in alliance with Soviet Russia, were bent upon drawing the Yugoslavs and Rumanians into a similar relation. The Yugoslavs have from the beginning been inalterably opposed to any sort of understanding with Russia, and the Rumanians, since the fall of Titulescu, have practically dropped the idea of a Russian alliance along the lines of the Franco-Soviet and Czecho-Soviet alliances.

In this connection the Minister stated that the extreme Nationalist groups in his country appeared to be rapidly gaining the overhand and that any idea of an agreement with Soviet

Russia

Russia entailing military cooperation was anathema to them. The Minister mentioned in passing a recent press report from Bucharest to the effect that these Rightist groups in Rumania had recently threatened the life of the King if he involved the country in any commitments to Soviet Russia. The Minister said he now felt certain the reports were true since all endeavors on his part to obtain a denial from his Government had been unsuccessful.

I asked the Minister at this point whether the Soviet-Rumanian understanding which Mr. Titulescu was sponsoring prior to his fall envisaged the passage of Soviet troops across Rumanian territory, and somewhat to my surprise he replied that such was of course the case. He added that he had remonstrated on this subject with Titulescu and had asked him how he would expect to get Russian troops out of Rumania in the eventuality that they were used in a successful war against Nazi Germany. Mr. Titulescu was somewhat vague in his ideas on this point, but persisted in his conviction that there was no other way out for Rumania.

Mr. Davila further revealed to me that if Titulescu's plans for a Soviet-Rumanian alliance had gone through Rumania would have obtained in compensation an explicit recognition of her sovereignty over Bessarabia. He added, however, that Mr. Titulescu had been experiencing great difficulties in his negotiations with the Russians, who pointed out to him their misgivings over the Rumanian trend to extreme Nationalism and

the

the likelihood that any Soviet-Rumanian understanding would be repudiated by the mass of the Rumanian people even if it could be successfully negotiated. The Minister observed somewhat ruefully that in view of recent developments the Russians at that time appeared to be better informed on conditions in Rumania than Mr. Titulescu himself.

With regard to Franco-Rumanian relations the Minister said he believed his Government should cling to the French as long as it was humanly possible in the hope that the French would eventually come to realize that they either had to meet the German menace with military force in case Germany attacks Czechoslovakia or else France herself would in the long run fall a victim to over-whelming German power. The Minister said he held this view despite the fact that one hears on all sides in France in speaking to the average Frenchman that they will be willing to go to war for one purpose and one purpose only, namely, to defend the actual frontiers of France.

Wallace Murray

WSM/LS

December 8 1936

770.00/4453

Confidential -- Staff Use Only.

No. 180

To the American Minister,

Belgrade.

The Acting Secretary of State encloses for the confidential information of the Minister a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

WE 12/4/36 amw

DEC 8 1936.

A true copy of the signed original.

Confidential -- Staff Use Only.

No. 886

To the American Chargé d'Affaires ad interim,

Moscow.

The Acting Secretary of State encloses for the confidential information of the Embassy a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

12/4/36 amw

DEC 4 REC'D

A true copy of the signed original.

770.00/453

December 8 1936

770.00/4453

Confidential -- Staff Use Only.

No. 704

To the American Ambassador,

Berlin.

The Acting Secretary of State encloses for the confidential information of the Ambassador a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

MBB

NE

12/4/36
amw

CR

DEC 5 1936.

A true copy of the signed original

WSM

December 8 1936

Confidential -- Staff Use Only.

770.00/453

No. 60

To the American Ambassador,

Paris.

The Acting Secretary of State encloses for the confidential information of the Ambassador a memorandum of a conversation between the Rumanian Minister in Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

WE: 12/4/36 amw

DEC 8 1936

A true copy of the signed original.

December 8 1936

Confidential -- Staff Use Only.

770.00/4453

No. 190

To the American Minister,

Vienna.

The Acting Secretary of State encloses for the confidential information of the Minister a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

WE 12/4/36

CR DEC 5 1936.

A true copy of the signed original

WSM

December 8 1936

770.00/4553

Confidential -- Staff Use Only.

No. 161

To the American Minister,

Prague.

The Acting Secretary of State encloses for the confidential information of the Minister a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

NE 12/4/36 amw

CR DEC 5 1936

A true copy of the original.

[illegible] 8 1936

Confidential -- Staff Use Only.

No. 84

To the American Minister,

Bucharest.

770.00/4453

The Acting Secretary of State encloses for the confidential information of the Minister a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

12/4/36
AMW

DEC 5 1936

A true copy of the signed original

WSM

12/2-4:00
12/3-9:45
12/3-3:15
12/3-4:20

December 8 1936 12/4-12:00

770.00/4453

Confidential -- Staff Use Only.

No. 781

To the American Ambassador,

Rome.

The Acting Secretary of State encloses for the confidential information of the Ambassador a memorandum of a conversation between the Rumanian Minister at Washington and the Chief of the Division of Near Eastern Affairs relative to Little Entente policy and Rumanian policy.

Enclosure:

Memorandum dated
November 13, 1936.

NE MBB/LS

WE

12/4/36
amw

DEC 5 1936

A true copy of the signed original.

DOCUMENT FILE

NOTE

SEE 760h.64/133 FOR #513

FROM Hungary (Montgomery) DATED Dec.2, 1936

TO NAME

1—1127 GPO

REGARDING:

Improvement in Hungarian-Yugoslav relations desired by Germany, Italy and Hungary as a means of breaking up the Little Entente.

Wi

770.00/454

DOCUMENT FILE

NOTE

770.00/455

SEE 760h.7412 Non-aggression/15 FOR #4229

FROM Military Attache Yugoslavia ( ) DATED Feb.15, 1937

TO NAME

1—1127 G P O

REGARDING: Friendship treaty between Yugoslavia and Bulgaria.

Report on effect of - on status of the Little Entente and Yugoslav foreign policy.

Wi

LEGATION OF THE
UNITED STATES OF AMERICA
Prague, February 22, 1937.

No. 656

Subject: Ninth Regular Economic Conference of the Little Entente States.

DIVISION OF WESTERN EUROPEAN AFFAIRS
MAR 26 1937
DEPARTMENT OF STATE

RECEIVED
DEPARTMENT OF STATE
1937 MAR 23 AM 11 31
DIVISION OF COMMUNICATIONS AND RECORDS

FOR DISTRIBUTION - CHECK
To the Field
In U. S. A.

DEPARTMENT OF STATE
MAR 24 1937
DIVISION OF NEAR EASTERN AFFAIRS

OFFICE OF ECONOMIC ADVISER
MAR 30 1937
DEPARTMENT OF STATE

770.00/456

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the Ninth Regular Economic Conference of the Little Entente States which opened on February 16, 1937, at Belgrade was concluded yesterday, February 21st. In the official communiqué it is announced that substantial progress was made in the program for cooperation between the three States of railways, aviation, Danubian navigation, tourist traffic, health, and on matters dealing with veterinary and agricultural questions. The communiqué also indicated, that inasmuch as the preliminary work has been completed on postal, telegraph and telephone cooperation,

FILED
MAR 31 1937

cooperation, it is contemplated that the Postal Union will be placed in operation on March 1st of this year.

It is also understood that Yugoslavia and Rumania have agreed to have their own tourist traffic exposition at the Prague Sample Fair which is to be held next month and that a joint exposition of the same nature will be arranged for the forthcoming Zagreb Sample Fair. A further understanding was reached on the joint procedure to be followed by the three Little Entente States at the Paris World Exposition.

Respectfully yours,

Vinton Chapin

Vinton Chapin,
Chargé d'Affaires ad interim.

VC/EJ

550

DOCUMENT FILE

NOTE

770.00/457

SEE 875.001 Zog/105 FOR #334

FROM Albania (Grant) DATED Mar.1, 1937

TO NAME

1—1127 ofo

REGARDING: Rumored engagement of King Zog to Countess Hanna Mikes of Albania.

Opposition of Little Entente to - due to fact that the Countess is a member of a family of ardent revisionists.

Wi

Tirana, Albania,
March 1, 1937.

No. 334

SUBJECT: Scales Appear to Tip Against Rumored Engagement of King Zog to Hungarian Countess.

STRICTLY CONFIDENTIAL - For Staff Use Only.

770.00

811.00/2948

The Honorable

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to refer to my despatch No. 276 of January 5, 1937, regarding the rumored engagement of His Majesty King Zog to Countess Hanna Mikes of Hungary. I now have the honor to inform the Department that although there is still no official confirmation or denial of the authenticity of the reported engagement, other than the denial in the Albanian press bureau release, referred to in the abovementioned despatch, several recent incidents, it would appear, serve to tip the scales against the culmination of the rumored wedding.

In

In the first place the King himself has denied that he will marry the Countess, in response to an inquiry made of His Majesty recently by the Yugoslav Minister, Radoye Iancovitch. My Colleague, Mr. Iancovitch, confided this news to me a few evenings ago at a dinner given by the German Minister. The Yugoslav, it would appear, acquired during his ten years of residence in the United States some of the directness of procedure characteristic of the average American.

Coupled with this incident is a statement made within the last few days to the Secretary of this Legation by the new Rumanian Minister to the effect that there is strong opposition to the marriage proposition on the part of Rumania, a member of the Little Entente, on the theory that the Countess Mikes is a member of a family of ardent revisionists whose home was in that part of Transylvania which is now Rumanian territory. The Minister is quoted as saying that such a marriage would be "distasteful" to his country and to other members of the Little Entente. This remark, it seems to me, may be linked with the rather remarkable interest of the Minister of Yugoslavia, a member of the Little Entente as revealed in the unusual inquiry propounded to His Majesty by His Excellency.

Furthermore, I was informed recently by a Parliament member who is known to be fairly close to the King that there is absolutely no basis of fact in the report that His Majesty will wed by Hungarian Countess. Said this gentleman:

"The

"The affair was hatched in Italy; His Majesty will have nothing to do with it. He will marry, but the fortunate bride will not be the Countess Mikes.

"Put that rumor in the waste basket where it belongs", the Deputy concluded with emphasis upon his words.

It appears that Mr. Faik Konitza, Albanian Minister in Washington, holds similar views, as indicated in an article addressed to the editor of the New York Times and reprinted in the Albanian newspaper BOTA of February 1, 1937, published in Boston, Massachusetts, copy of which has been received at this Legation. This article
1/ is enclosed herewith for the Department's files. Mr. Konitza points the finger of scorn at the press despatch from Budapest to the effect that the alleged marriage plan between King Zog and the Countess failed because of the King's insistence that the Countess, a Roman Catholic, should embrace Islamism. He brands the whole story of the proposed marriage as "news" which "has all the characteristics of a joke".

However, there is another angle to the rumor of the failure of the marriage plan because of religious differences between the King and the Countess. The story was told to me a few days ago by a Russian physician, resident of Tirana, now naturalized as an Albanian, who returned recently from Geneva. Said this gentleman, a cultured and intelligent young medico:

"While in Geneva in January I saw a letter from the mother of the Countess Mikes addressed to a relative in Geneva who happens to be a friend of mine. The statement was made in the letter that the daughter, the Countess Mikes, and King Zog would wed soon. The information appeared to be so authentic that I immediately wired my congratulations to His Majesty.

"To

"To my consternation a short time later I was shown another letter, also received from the mother of the Countess by my friend, in which it was stated that the wedding plan had met with obstacles as the result of the King's insistence that children of the marriage should be Moslems."

My friend the physician is now greatly perturbed as the result of having sent prematurely his congratulatory telegram to the King, especially since he has been angling for some months for an important post in the Albanian hospital service and he feels that the King may be displeased.

Respectfully yours,

Hugh G. Grant.

Enclosure:

1/ Clipping from BOTA
of February 1, 1937

HGG:jwd
800

MA

TELEGRAM RECEIVED

A portion of this telegram must be closely paraphrased before being communicated to anyone.

Belgrade

Dated April 3, 1937

Rec'd 5 p. m., 3rd

DIVISION OF WESTERN EUROPEAN AFFAIRS
APR 6 1937
DEPARTMENT OF STATE

DEPARTMENT OF STATE
APR 5 1937
DIVISION OF NEAR EASTERN AFFAIRS

Secretary of State

Washington

12, April 3, 1 p. m.

(GRAY) Meeting of Permanent Council of Little Entente closed last evening. Official communique dwells especially on unanimity of views and complete solidarity of organization, states an exchange of views took place on general European situation and on questions interesting the three allies and complete agreement found to exist. Yugoslav Prime Minister explained recent agreements with Bulgaria and Italy which met approval of other members. (END GRAY)

CONFIDENTIAL.

In spite of protestations of full solidarity I have heard from several sources believed reliable and especially from the German Minister that the chief object of the Present meeting of the Council was to induce Yugoslavia to expand its military obligations assumed under the Little Entente pact especially to Czechoslovakia. France has been pressing subject at Belgrade. However, when the subject was broached by the Czechoslovak Minister it met such cool reception by Yugoslav Government that matter was dropped and further efforts in this direction will be left to the

president

FILED
APR 8 - 1937

770.00/458

Note
760F.62H

president of Czechoslovakia who arrives at Belgrade Monday on three day's official visit. German Minister believes he will not succeed and that Yugoslavia is definitely decided not to increase its military obligations to Czechoslovakia. If the above is true it marks further weakening of French influence at Belgrade as well as a certain lack of solidarity in the Little Entente especially between Yugoslavia and Czechoslovakia. Personally I believe present Yugoslav policy is to seek full political independence rather than to bind itself closer to any political group. Speeches exchanged by Ministers at banquet were rather perfunctory in tone.

WILSON

RR

TELEGRAM RECEIVED

EDA
This telegram must be closely paraphrased before being communicated to anyone (a)

FROM PARIS

Dated April 6, 1937

Received 4:55 p.m.

DIVISION OF WESTERN EUROPEAN AFFAIRS
APR 8 1937
DEPARTMENT OF STATE

Secretary of State

Washington

DEPARTMENT OF STATE
APR 7 1937
DIVISION OF NEAR EASTERN AFFAIRS

456, April 6, 7 p.m. (SECTION ONE).

CONFIDENTIAL.

In discussing at the Foreign Office the results of the Little Entente Conference I was informed as follows:

To consider as a set back to French policy the failure of the Little Entente States to act on the proposal to alter their obligations for defense against Hungary into a general pact of mutual assistance is erroneous. The proposal was in the interests of the three Little Entente States and is not of direct interest as regards French security against an attack, say, by Germany on France, since such attack would inevitably cause a general European war in which the interests of the Little Entente would be on the side of France and would in any case bring into play the mutual assistance obligations of the Little Entente States under the Covenant. Czechoslovakia has been the one primarily interested in such a proposal fearing agression from Germany; Rumania is less interested; Yugoslavia for the moment is not interested at all.

The

770.00/459
FILED
APR 13 1937

17-2

EDA - 2 - #456, April 6, 7 p.m. from Paris Section One.

The fact of the matter is that the proposal to extend the Little Entente commitments into a general pact of

(END SECTION ONE)

WILSON

EDA:SMS

17-3

4411

TELEGRAM RECEIVED

EDA
This telegram must be closely paraphrased before being communicated to anyone (a)

FROM

PARIS

Dated April 6, 1937

Received 4:05 p.m.

Secretary of State

Washington

456, April 6, 7 p.m. (SECTION TWO).

mutual assistance was not discussed at all at the meeting of the Little Entente. Antonesco suggested to Krofta who had acquiesced that it would be unwise to discuss the matter because of the attitude of Yugoslavia and also because such discussion would bear the appearance of having been caused by the Italo-Yugoslav pact and of being an attempted reply to that pact. It would be a mistake to believe that the idea of a general pact of mutual assistance among the Little Entente states is dead; Benes will discuss the matter during his visit to Belgrade; he will not, of course, as some of the French papers state, put Stoyadinovitch "on the spot" because of it; Benes is far too subtle a person for that but he will see that the idea is kept alive; and it may be expected that French politics will come up again in the future.

It would likewise be erroneous to speak of the recently concluded Italo-Yugoslav pact as a set back to French policy. (In this connection, however, see my 416, March 27, noon). What had caused momentary resentment here

was

760H.65

17-4

EDA - 2 - #456, April 6, 7 p.m. from Paris Section two.

was the sudden manner in which the pact had been concluded and the appearance which it gave under the then existing circumstances of having contributed to an Italian diplomatic victory.

WILSON

(*) Apparent Omission

S:S

TELEGRAM RECEIVED

LMS

This telegram must be closely paraphrased before being communicated to anyone. (A)

FROM Paris

Dated April 6, 1937

Rec'd 3:55 p. m.

Secretary of State,

Washington.

456, April 6, 7 p. m. (SECTION THREE)

They had been somewhat apprehensive here as to what the pact might be found to contain but on examining it they have felt relieved. It was true that the pact made no reference to the League of Nations and that in its preamble it referred to the Ethiopian empire; it was not perhaps the sort of treaty that would have been drafted by a professor of international law; however, Stoyadinovitch was above all a realist, hard-headed, cynical, primarily concerned with the interests of his own country. He had found the moment favorable to advance these interests and he had seized the opportunity. The German and Italian press and part of the French press had interpreted the Italo-Yugoslav pact as a blow to France. The articles which had appeared in the French press in this sense were based upon stories sent by the Belgrade correspondent of the Sudest service; this service had been formed by Titulesco and was interested in giving the impression that since Titulesco's disappearance from the scene France had lost influence in the Little Entente countries and the Little

WILSON

CSB

17-6

4414

LMS

TELEGRAM RECEIVED

This telegram must be closely paraphrased before being communicated to anyone. (A)

FROM

Paris

Dated April 6, 1937

Rec'd 4:45 p. m.

Secretary of State,

Washington.

456, April 6, 7 p. m. (SECTION FOUR)

Entente was disintegrating. The conviction exists here, however, that the strength, moral and material, of France and England is steadily increasing, whereas Germany and Italy are at grips with internal problems which are becoming more serious and are steadily weakening them. It is felt here that this may not yet have been fully realized in the small states of Central and Eastern Europe but that it must inevitably become clearer to them with time.

note 740.00

The absence of any reference in the final communique of the Little Entente meeting to restoration of the Hapsburgs is important: Benes is making efforts to improve relations and to come to an understanding with Austria and with Hungary; any statement in the communique against restoration would interrupt this policy; it would be a mistake, however, to interpret this lack of reference as in any way indicating a change in the attitude of the Little Entente states which remains opposed to restoration.

863.01

It is

17-7

4415

LMS 2-No. 456, April 6, 7 p. m., Sec. 4, from Paris.

It is felt here that the manner in which the Italo-Yugoslav Pact was concluded will not be repeated as regards Hungary; that Yugoslavia will make an arrangement with Hungary only if the Hungarian Government is prepared to make similar arrangements simultaneously with the other two partners of the Little Entente.

760H.64

Copies to London, Berlin, Rome, Vienna, Budapest, Bucharest, Praha, Belgrade.

END OF MESSAGE

WILSON

EMB:SMS

DOCUMENT FILE

NOTE

SEE 763.64/101 FOR Despatch #624

FROM Hungary (Montgomery) DATED March 22,1937

TO NAME

1—1127 GPO

REGARDING: Danubian problem. As regards the,- the Austrian and Hungarian statesmen absolutely agree that all parties concerned are interested in establishment ofcorrect relations with the neighboring states and that this aim might be attained by adequate complcance with,- on all sides.

770.00 / 460

fp

DOCUMENT FILE

NOTE

770.00/461

SEE 760h.65/719 FOR #274

FROM Italy (Kirk) DATED Mar.19, 1937

TO

NAME

1—1127 ofo

REGARDING: Change in policy of the Little Entente.

Italian press comment on - in connection with rumors of negotiations for an Italo-Yugoslav agreement. Weakening of the Little Entente and lessening of French influence.

Wi

ROME, March 19, 1937.

No. 874

Subject: Italian Relations with the Little Entente.

770.00 Nov. 25, 1936

The Honorable

The Secretary of State,

Washington.

Sir:

770.00

In amplification of my despatch No. 818 of February 18, 1937, concerning Italo-Yugoslav relations, I have the honor to inform the Department that although the French press has reported that an Italo-Yugoslav Gentlemen's Agreement with regard to the Adriatic is about to be concluded, the Italian press publishes denials from the Yugoslav Foreign Office. It is said, however, that negotiations for an economic agreement are expected.

Noting the difference between present French criticism of an Italo-Yugoslav rapprochement and the former desire of France to have the Italo-Yugoslav question settled,

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the Italian press concludes that France favored reconciliation when Yugoslavia was its "vassal" but now stands in the way because Yugoslavia has failed to allow France to take charge of the affair. The TRIBUNA continues that "France must realize that certain artificially constructed systems cannot be eternal and that nations in the long run realize where their real and permanent interests lie". In other editorials Italian writers have endeavored to demonstrate that the policies of the Little Entente are undergoing a definite change and that the solidarity of its support of France and Soviet Russia as against Germany is disintegrating. It is pointed out that the weakening of the Little Entente has been apparent since the Bratislaw Conference of September, 1936, where it became obvious that neither Belgrade or Bucharest were in sympathy with the Czech-Soviet Pact or intended to adopt an anti-German attitude as Prague had done. Considerable emphasis is laid upon the re-orientation of Yugoslav foreign relations since the advent of Stoyadinoviteh as Foreign Minister. According to the Italian press his activities have been directed toward a policy of rapprochement with Italy, Hungary and Bulgaria - "the opposite to that for which the Little Entente was created".

With respect to Czechoslovakia an effort has been made in the Italian press to show a growing realization that a persistent anti-German policy is not only inconsistent with Czechoslovakia's vital interests but jeopardizes peace in Central Europe. It is further said that the Czechs are beginning to look realistically upon the dangers of the Russian alliance and to realize the inefficacy of any assistance from its Little Entente allies and still less

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from France, which is characterized as internally weakened and incapable of exercising influence or initiative.

These articles have been regarded as intended to demonstrate the gradual re-orientation of Central European policies towards the Rome-Berlin axis as a factor of collaboration in the Danubian region and to reemphasize its stability as contrasted with French weakness and the dangers of co-operation with Moscow. It is further pointed out that these statements conform to the Fascist idea that Italy is called upon to fulfill a definite mission in this region and to maintain a balance which would preclude the establishment of political hegemonies.

Respectfully yours,

For the Ambassador:

Alexander Kirk,
Counselor of Embassy.

BR/gaj
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